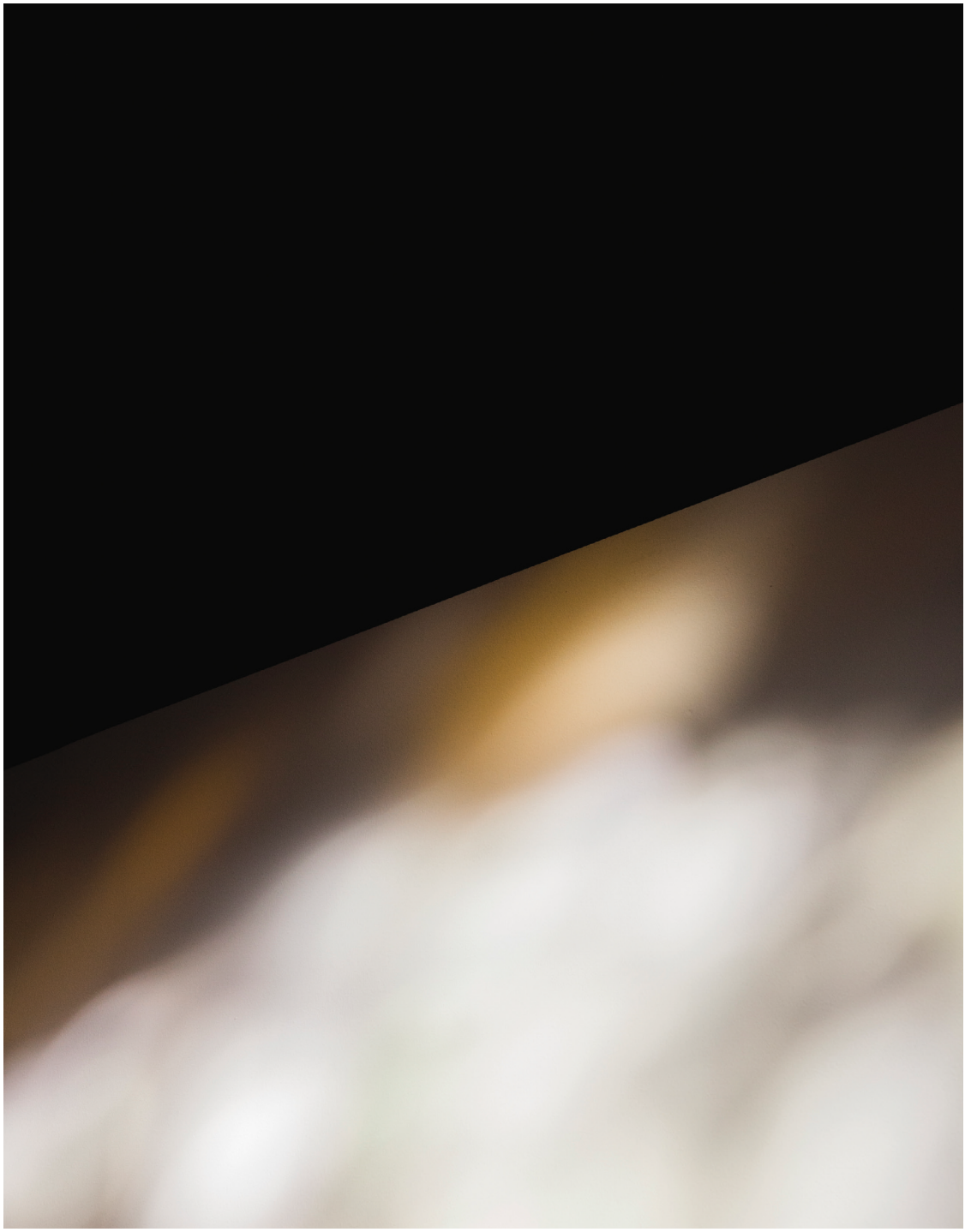

KERING

# 2024 UNIVERSAL REGISTRATION DOCUMENT

AMF AUTORITÉ DES MARCHÉS FINANCIERS

This Universal Registration Document has been filed on March 18, 2025 with the *Autorité des marchés financiers* (AMF), as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of said regulation.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or the admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

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*This document is a free translation into English of the Universal Registration Document of the Company issued in French and is provided solely for information purposes.*

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# Presentation of the Group and Integrated Report


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# 1 - MESSAGE FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

**François-Henri Pinault**
Chairman and Chief Executive Officer

Kering is a global luxury group that manages the development of a series of renowned houses in fashion, leather goods and jewelry. By placing creativity at the heart of its strategy, Kering enables its houses to push back the limits in terms of their creative expression, while crafting tomorrow's luxury in a sustainable and responsible way.

"In a difficult year, we accelerated the transformation of several of our houses and moved determinedly to strengthen the health and desirability of our brands for the long term. Across the Group, and at Gucci first and foremost, we made critical decisions to raise the impact of our communications, sharpen our product strategies, and heighten the quality of our distribution, all in the respect of the creative heritage that distinguishes our brands. We secured our organization, made key hirings, sped up execution, and intensified the efficiency of our operations. Our efforts must remain sustained and we are confident that we have driven Kering to a point of stabilization, from which we will gradually resume our growth trajectory."

# 2 - GROUP PROFILE

The Group has continuously transformed itself since its inception in 1963, guided by an entrepreneurial spirit and a commitment to constantly seek out growth and create value.

Founded by François Pinault as a timber and building materials business, the Group repositioned itself on the retail market in the 1990s and soon became one of the leading European players in the sector. The acquisition of a controlling stake in Gucci Group in 1999 marked a new stage in the Group's development, in which it has established a coherent ensemble of complementary houses. Since 2018, Kering has been a pure player in luxury.

## 2.1 Group history

### Origins

**1963**

François Pinault **establishes** the Pinault group, specializing in timber trading.

**1988**

**Listing** of Pinault SA on the Paris Stock Exchange.

### Development of a leading distributor

**1990**

**Acquisition** of Cfao, a group specializing in trading with Africa and in electrical equipment distribution (renamed Rexel in 1993).

**1991**

**Entry** into the retail market with the acquisition of a controlling stake in Conforama.

**1992**

**Takeover** of Au Printemps SA, a department store chain which also held a majority interest in mail order clothing brand La Redoute.

**1994**

**Merger** of La Redoute with Pinault-Printemps, which is renamed Pinault-Printemps-Redoute.
**Takeover** of Fnac, a retailer of books, music, films and consumer electronics.

### Entry into the luxury and Sport & Lifestyle industries

**1999**

**Acquisition** of a 42% stake in Gucci Group NV, marking the Group's entry into the luxury industry.

**2000**

**Acquisition** by Gucci Group of high jewelry House Boucheron.

**2001**

Gucci Group **acquires** Italian leather goods brand Bottega Veneta and Balenciaga, and signs partnership agreements with Alexander McQueen and Stella McCartney.
The Group **raises** its stake in Gucci Group to 53.2%.

**2003**

**Sale** of Pinault Bois & Matériaux.
The Group **raises** its stake in Gucci Group to 67.6% (after raising it to 54.4% in 2002).

**2004**

The Group **raises** its stake in Gucci Group to 99.4% through a tender offer.
**Sale** of Rexel.

**2005**

Pinault-Printemps-Redoute becomes PPR.
François-Henri Pinault becomes Chairman and Chief Executive Officer of PPR.

**2006**

**Sale** of a 51% controlling stake in Printemps.

**2007**

**Sale** of the remaining 49% stake in Printemps.
**Acquisition** of a 27.1% controlling stake in PUMA, subsequently increased to 62.1% through a tender offer.

**2008**

**Sale** of YSL Beauté to L'Oréal.
**Acquisition** of a 23% stake in watchmaker Girard-Perregaux.

**2009**

**IPO** of Cfao, involving the sale of a controlling 58% stake.
**Creation** of the Kering Foundation to combat violence against women.

**2011**

**Sale** of Conforama.
**Acquisition** of Volcom.
The Group **raises** its stake in Sowind Group (Girard-Perregaux) to 50.1%.

**2012**

**Acquisition** of Italian men's tailor Brioni.
**Sale** of the remaining 42% stake in Cfao.

## An integrated and reinforced group

**2013**

**Acquisition** of a majority stake in Chinese fine jewelry brand Qeelin.
**Acquisition** of a majority stake in France Croco, now named Tannerie de Périers.
**Listing** of Groupe Fnac on the Paris Stock Exchange.
Change of corporate name: PPR becomes Kering.
**Acquisition** of a majority stake in Italian jewelry group Pomellato.
**Admission** to the Dow Jones Sustainability World and Europe Indices (DJSI).

**2014**

**Sale** of La Redoute.
**Acquisition** of watchmaker Ulysse Nardin.

**2015**

**Launch** of Kering Eyewear.
**Sale** of Italian shoemaker Sergio Rossi.
**Publication** of the first Environmental Profit and Loss Account (EP&L) at Group level.

**2016**

**Sale** of Electric by Volcom.
**Kering relocates** its headquarters to the former Laennec Hospital, in the heart of Paris' Left Bank.
**Announcement** of the Group's 2025 sustainability strategy.

**2017**

**Strategic partnership** signed between Kering Eyewear and Maison Cartier to develop, manufacture and distribute the Cartier eyewear collections, with Richemont acquiring a minority stake in Kering Eyewear.

## Kering, a pure play in the luxury industry

**2018**

**Distribution** in kind of PUMA shares to Kering shareholders, while maintaining a 15.85% stake in the company to be sold gradually.
**Kering announces** its withdrawal from businesses including Stella McCartney and Volcom.
**New developments** in Kering's digital strategy, aimed at enhancing the Group's omnichannel capabilities and its Houses' digital activities.

**2019**

**Sale** of Volcom.
**The Fashion Pact:** François-Henri Pinault mobilizes participants in the fashion and textile industries with the aim of reducing their environmental impact.
Extension of the **parental leave policy,** with 14 weeks of paid parental leave for all Group employees.

**2020**

Public health crisis arising from the **COVID-19** pandemic.
Kering publishes a dedicated biodiversity protection strategy with a series of new targets to achieve a "net positive impact"[(1)] on biodiversity by 2025.

**2021**

**Purchase of a stake** of around 5% in Vestiaire Collective.
**Inauguration of the Group's new logistics platform** in Trecate (Italy).
**Acquisition** of Danish luxury eyewear brand Lindberg.
**Publication** of the **Climate Strategy,** aligned with a 1.5°C SBT trajectory.

**2022**

**Acquisition** of American eyewear brand Maui Jim.
**Disposal** of Girard-Perregaux and Ulysse-Nardin.
Launch of KeringForYou, the **Group's first employee share ownership transaction.**
Launch of the **Climate Fund for Nature.**

**2023**

**Acquisition** of a 30% stake in the Italian fashion house Valentino.
**Launch of Kering Beauté** and acquisition of luxury fragrance house **Creed.**

(1) A business that has a "net positive" impact on biodiversity is one whose negative impacts on biodiversity are outweighed by its positive impacts. This is generally achieved by applying the following mitigation hierarchy: 1. Avoid; 2. Reduce; 3. Restore/Regenerate; 4. Transform (Conservation hierarchy).

## 2.2 Kering today, a global luxury group

Our houses assert strong characteristics and act as sources of emotion and inspiration. By reinterpreting their creative heritage, they offer a new way of looking at the present: this is what makes them desirable and – by forging a unique path and upholding a certain way of life – allows them to exert significant cultural influence.

### Our houses

GUCCI

SAINT LAURENT

BOTTEGA VENETA

BALENCIAGA

McQUEEN

Brioni

BOUCHERON
PARIS DEPUIS 1858

Pomellato

DoDo

qeelin

GINORI 1735
ITALIA

KERING EYEWEAR

KERING BEAUTÉ

## Kering in 2024

**Revenue**
**€17,194 million**

**-12%**
as reported versus 2023
**-12%**
on a comparable basis[1] versus 2023

**Recurring operating income**
**€2,554 million**

**-46%**
versus 2023
**14.9%**
recurring operating margin

**Net income attributable to the Group**
**€1,133 million**

**Dividend per share**
**€6.00[2]**

**Free cash flow from operations[3]**
**€1,432 million**

**Free cash flow from operations**
excluding strategic real estate acquisitions
**€3,568 million**

**46,930**
employees
as of December 31, 2024[4]

**-23%**
reduction in our greenhouse
gas emissions[5]

**58%**
women managers

**CDP Triple A List**
Climate — Water — Forests

(1) Comparable revenue is defined on page 79.
(2) Subject to the approval of the Annual General Meeting to be held on April 24, 2025.
(3) Free cash flow from operations is defined on page 80.
(4) Average 45,845 FTE in 2024.
(5) On all scopes (1, 2, and 3) as of December 31, 2024, compared to the base year (2022).

## Key consolidated figures

| *(in € millions)* | 2024 | 2023 | Change (reported) |
|---|---|---|---|
| **Revenue** | **17,194** | **19,566** | **-12%** |
| **EBITDA** | **4,667** | **6,569** | **-29%** |
| *EBITDA margin (% of revenue)* | *27.1%* | *33.6%* | *-6.5 pts* |
| **Recurring operating income** | **2,554** | **4,746** | **-46%** |
| *Recurring operating margin (% of revenue)* | *14.9%* | *24.3%* | *-9.4 pts* |
| **Net income attributable to the Group** | **1,133** | **2,983** | **-62%** |
| **o/w continuing operations excluding non-recurring items** | **1,310** | **3,061** | **-57%** |
| **Gross operating investments**[1] | **3,309** | **2,611** | **+27%** |
| **Free cash flow from operations**[2] | **1,432** | **1,983** | **-28%** |
| **Net debt**[3] | **10,517** | **8,504** | **+24%** |

(1) Purchases of property, plant and equipment and intangible assets.
(2) Free cash flow from operations is defined on page 80.
(3) Net debt is defined on page 80.

## Per share data

| *(in €)* | 2024 | 2023 | Change (reported) |
|---|---|---|---|
| **Net income attributable to the Group** | 9.24 | 24.38 | -62% |
| **o/w continuing operations excluding non-recurring items** | 10.68 | 25.02 | -57% |
| **Dividend per share** | 6.00 [1] | 14.00 | -57% |

(1) Subject to the approval of the Annual General Meeting to be held on April 24, 2025.

# Revenue

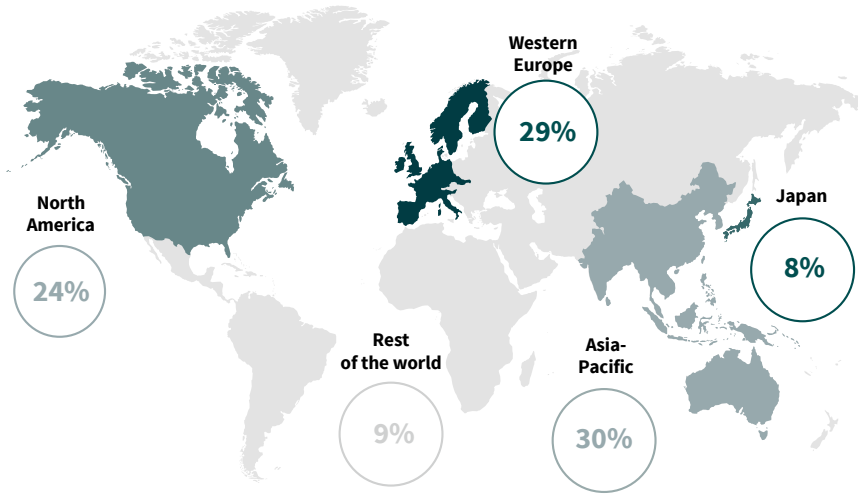
## Breakdown by segment

| *(in € millions)* | 2024 | 2023 | Reported change | Comparable change[1] |
|---|---|---|---|---|
| Gucci | 7,650 | 9,873 | -23% | -21% |
| Yves Saint Laurent | 2,881 | 3,179 | -9% | -9% |
| Bottega Veneta | 1,713 | 1,645 | +4% | +6% |
| Other Houses | 3,221 | 3,514 | -8% | -7% |
| Kering Eyewear and Corporate | 1,941 | 1,568 | +24% | +8% |
| *Eliminations* | *(212)* | *(213)* | *N/A* | *N/A* |
| **Revenue** | **17,194** | **19,566** | **-12%** | **-12%** |

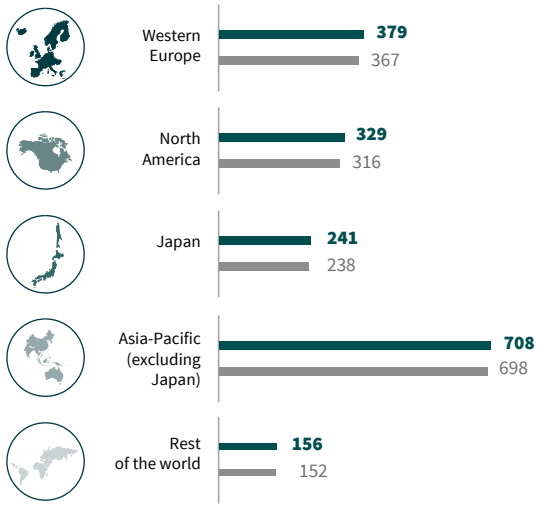
[1] On a comparable scope and exchange rate basis. Comparable growth is defined on page 79.

## Breakdown by region

*(as a % of consolidated revenue)*



## Number of directly operated stores by region




**1,813**
Total as of Dec. 31, 2024

**1,771**
Total as of Dec. 31, 2023

## Recurring operating income

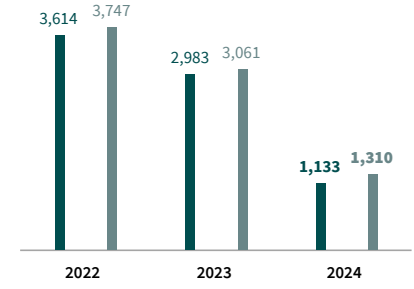
**Breakdown of recurring operating income by segment**

| *(in € millions)* | **2024** | **2023** | **Change** |
|---|---|---|---|
| Gucci | 1,605 | 3,264 | -51% |
| Yves Saint Laurent | 593 | 969 | -39% |
| Bottega Veneta | 255 | 312 | -18% |
| Other Houses | (9) | 212 | N/A |
| Kering Eyewear and Corporate | 112 | (7) | N/A |
| *Eliminations* | *(2)* | *(4)* | *N/A* |
| **Recurring operating income** | **2,554** | **4,746** | **-46%** |
| *Recurring operating margin (% of revenue)* | *14.9%* | *24.3%* | *-9.4 pts* |

# Other financial indicators

### Net income attributable to the Group

*(in € millions)*

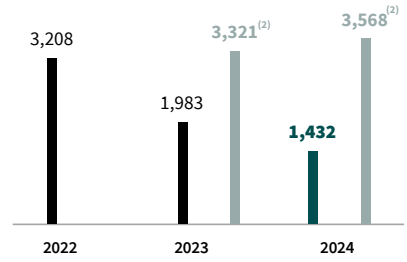



**Net income attributable to the Group**

Net income from continuing operations (excluding non-recurring items) attributable to the Group

### Free cash flow from operations[1]

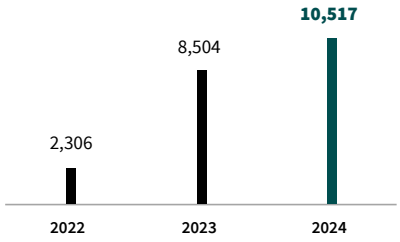
*(in € millions)*




(1) Free cash flow from operation is defined on page 80.
(2) Excluding strategic real estate acquisitions and disposals.

### Net debt[3]

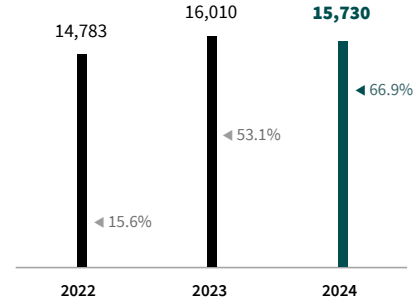
*(in € millions)*




(3) Net debt is defined on page 80.

### Equity and net debt-to-equity ratio[4]

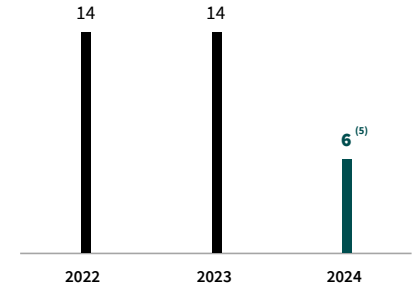
*(in € millions and %)*




(4) Net debt is defined on page 80.

### Dividend per share

*(in €)*




(5) Subject to the approval of the Annual General Meeting to be held on April 24, 2025.

# Key highlights 2024

**Appointments of new Chief Executive Officers at Gucci, Saint Laurent and Balenciaga**

In late 2024, Kering announced the appointment of Stefano Cantino at Gucci, Cédric Charbit at Saint Laurent and Gianfranco Gianangeli at Balenciaga.

Those appointments have been effective since the beginning of January, 2025.

The new CEOs report to Francesca Bellettini, Kering's Deputy CEO in charge of Brand Development.

**Appointment of Louise Trotter as Bottega Veneta's Creative Director**

Louise Trotter is renowned for her ability to draw inspiration from real life and her meticulous approach to craftsmanship. She joined Bottega Veneta at the end of January 2025.

**Kering strengthens its organization**

In 2024, the Group appointed a number of people to new roles, including within its Executive Committee, with the aim of supporting its houses and strengthening its organization.

**Acquisitions of strategic real-estate assets in New York and Milan**

In 2024, Kering acquired prestigious real-estate assets on Fifth Avenue in New York and on Via Monte Napoleone in Milan. These investments form part of Kering's selective real-estate strategy aimed at securing key locations that are highly desirable for its houses.

**Expansion of the Kering Generation Awards into Japan and Saudi Arabia and launch of the first Kering Generation Award X Jewelry to support talented people demonstrating excellence in sustainable design and responsible practices.**

**Adoption of the world's first global science-based targets for nature**

After taking part in a one-year pilot with the Science Based Targets Network, Kering became the world's first company to adopt science-based targets for land and freshwater, thereby taking the Group's commitment to nature to the next level.

**Approval and validation by the SBTi of Kering's net zero target**

The Group is stepping up its climate ambitions, setting ambitious targets for reducing its emissions in both the short and long term. Those targets cover its entire value chain and are consistent with the latest scientific climate data and the criteria of the Science Based Targets initiative (SBTi) for achieving a net zero economy.

**Over one million hectares of agricultural land being regenerated**

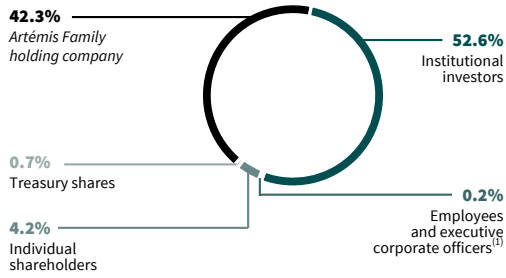
Kering encourages the transformation of farming practices and the move toward regenerative agriculture models. As part of that effort, the Group supports projects in various regions of the world, including those of the Regenerative Fund for Nature and the Olive Leaf project in South Africa.

# 3 - OUR GOVERNANCE MODEL

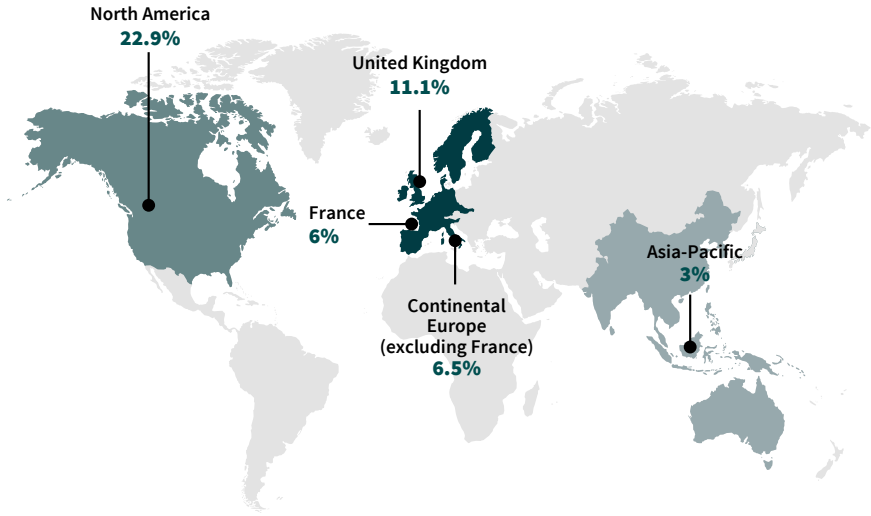
## 3.1 Stable ownership structure

### Breakdown of share capital as of December 31, 2024

Kering is the result of one family's entrepreneurial journey. It is 42.3%-owned by the Artémis holding company, which is controlled by the Group's founding Pinault family. Alongside this solid core shareholder, French and foreign institutional investors own 52.6% of the Group's capital.




### Breakdown of institutional investors' holdings by main geographical areas(2)




(1) Including Kering's employee investment fund.
(2) Excluding other regions and unaffiliated investors: 3.1%.
% of capital held (source: shareholders' identification as of December 31, 2024).

## 3.2 A Board of Directors with a long-term vision for the Group

Our governance structure is aligned with best practices. In addition to ensuring that strategic decisions are taken and implemented effectively, it is founded on robust mechanisms that uphold a genuine balance of powers.

### Unified governance, well suited to Kering's specific features

Kering has opted to combine the roles of Chairman of the Board of Directors and Chief Executive Officer, taking the view that this governance arrangement is the one that best suits the Group's specific features, in which each of its houses have autonomy. The arrangement takes into account François-Henri Pinault's special position as controlling shareholder and his active involvement in conducting the Group's business affairs, of which he has long-standing, in-depth operational knowledge.

### The Lead Independent Director: ensuring the balance of powers within the governance structure and the smooth running of the Board

With a view to achieving a genuine balance of power on its Board, the Group takes steps to ensure that its membership is diverse, balanced and mostly independent.

In addition, given that the roles of Chairman of the Board and Chief Executive Officer are combined and to provide additional assurance with regard to the Board's smooth running, in 2019 the Board of Directors created the role of Lead Independent Director.

The Lead Independent Director is consulted on the schedule of Board meetings and may propose additional agenda items to the Chairman. He/she liaises between the independent directors, other Board members and Executive Management, and helps prevent conflicts of interest from occurring. He/she monitors compliance with the Board's internal rules and oversees the process of assessing the Board of Directors. In coordination with the Chairman of the Board, the Lead Independent Director also represents the Board in its dealings with investors concerning environmental, social and governance matters.

The duties of the Lead Independent Director are detailed in section 1.4 of chapter 3 of this Document.

### The Climate Change Lead: ensuring that climate issues are taken into account by the Board

In line with the Group's commitments in terms of climate action, the role of Climate Change Lead was created within the Board of Directors in 2022.

In coordination with the Chair of the Sustainability Committee and the Lead Independent Director, the Climate Change Lead's role includes ensuring that climate issues are considered by the Board as part of a long-term approach.

The duties of the Climate Change Lead are detailed in section 1.5 of chapter 3 of this Document.

## Members of the Board of Directors as of March 4, 2025

**Véronique Weill**
Lead Independent Director and Chair of the Remuneration Committee

**Dominique D'Hinnin**
Chair of the Audit Committee

**Serge Weinberg**
Chair of the Appointments and Governance Committee

**Giovanna Melandri**
Chair of the Sustainability Committee

**Maureen Chiquet**

**Yonca Dervisoglu**

**Rachel Duan**

**François-Henri Pinault**
Chairman and CEO

**Concetta Battaglia**

**Vincent Schaal**

**Jean-Pierre Denis**
Climate Change Lead

**Financière Pinault**
represented by Héloïse Temple-Boyer

**Baudouin Prot**

## Board of Directors: key figures as of March 4, 2025

**64%**
Independent Directors[1]

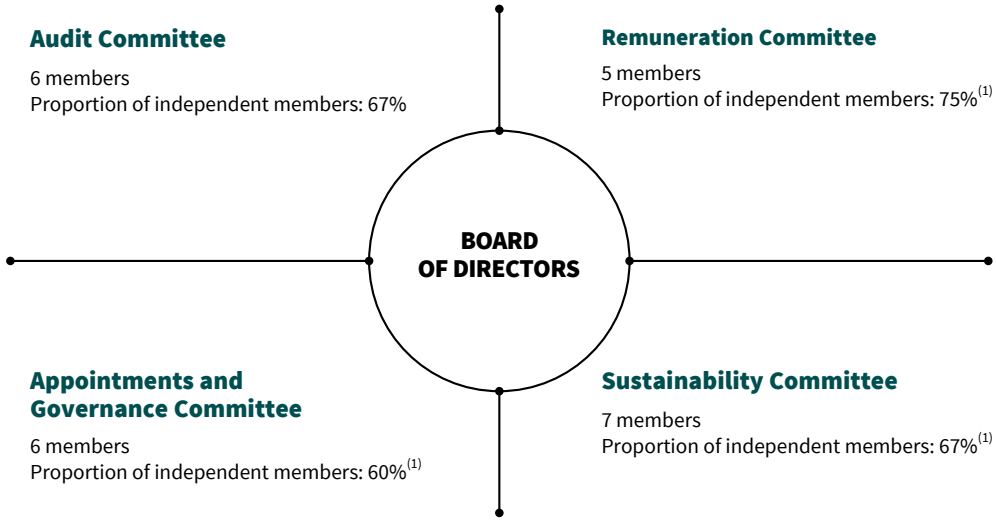
**55%**
Women[1]

**61 years**
Average age

**6**
Nationalities

**7.8 years**
Average length of service

## Committees of the Board of Directors as of March 4, 2025




(1) Excluding the Directors representing employees in accordance with Article L. 225-27-1 of the French Commercial Code and the AFEP-MEDEF Code.

## 3.3 Remuneration aligned with value creation and stakeholder interests

The remuneration of the executive corporate officers includes a fixed portion and a variable portion. The Board of Directors establishes the rules for determining remuneration each year based on the recommendations of the Remuneration Committee and in accordance with the recommendations of the AFEP-MEDEF Code, and they are submitted to shareholders for approval in the Annual General Meeting.

The remuneration structure and the criteria on which variable remuneration is based are defined and modified over time to ensure that the amounts paid are closely aligned with the extent to which the Group's strategic financial and non-financial objectives have been met.

Of the Chairman and Chief Executive Officer's remuneration, 84% is subject to performance conditions, reflecting his obligation to create medium- and long-term value.

The variable portion of the Chairman and Chief Executive Officer's remuneration is subject to performance conditions relating to financial criteria as well as corporate, social and environmental responsibility, reflecting the Group's ambitious objectives in these areas, and encouraging him to base his decisions and actions on ensuring long-term profitability.

### Components of the Chairman and Chief Executive Officer's remuneration

**ANNUAL FIXED REMUNERATION**
*(cash)*
- Consideration of the level and complexity of responsibilities and experience
- Alignment with market practices

**ANNUAL VARIABLE REMUNERATION**
*(cash)*
**Performance criteria**

| 30% | 70% |
|---|---|
| **NON-FINANCIAL CRITERIA** | **FINANCIAL CRITERIA** |
| Climate **10%** | Consolidated recurring operating income **35%** |
| Organization and talent management **10%** | Consolidated free cash flow from operations **35%** |
| Protection of the Group's intangible assets **10%** | |

**LONG-TERM VARIABLE REMUNERATION**
*(performance shares)*
**Performance criteria** *(3 years)*

| 20% | 80% |
|---|---|
| **NON-FINANCIAL CRITERIA** | **FINANCIAL CRITERIA** |
| Proportion of women in executive management roles **10%** | Consolidated recurring operating income **40%** |
| Biodiversity **5%** | Consolidated free cash flow from operations **40%** |
| Climate **5%** | |

**Kering share price performance: +/-50% impact**

## 3.4 Group management

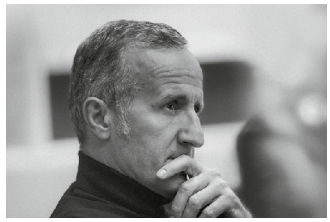
Group management consists of the Executive Committee headed by François-Henri Pinault, Chairman and Chief Executive Officer, and the two Deputy Chief Executive Officers Francesca Bellettini and Jean-Marc Duplaix.

The Executive Committee has 13 members, comprising the managers of the Group's activities and of the main houses, along with Kering's main operating officers.

The Executive Committee is the Group's key operational body and, through its composition and the scope of its remit, reflects Kering's transformation into an integrated group and the increasingly international nature of its activities. Kering's Executive Management and the Chief Executive Officers of the major houses hold regular meetings to assess business developments. In those meetings, discussions are based on operational and financial metrics.

**Executive Committee members as of March 4, 2025**

**François-Henri Pinault**
**Chairman and Chief Executive Officer**



**Stefano Cantino**
**Chief Executive Officer of Gucci**

**Cédric Charbit**
**Chief Executive Officer of Saint Laurent**

**Mélanie Flouquet**
**Secretary General**

**Béatrice Lazat**
**Chief People Officer**

**Francesca Bellettini**
Deputy CEO, in charge of Brand Development

**Jean-Marc Duplaix**
Deputy CEO and Chief Operating Officer

**Laurent Claquin**
Chief Brand Officer

**Raffaella Cornaggia**
Chief Executive Officer of Kering Beauté

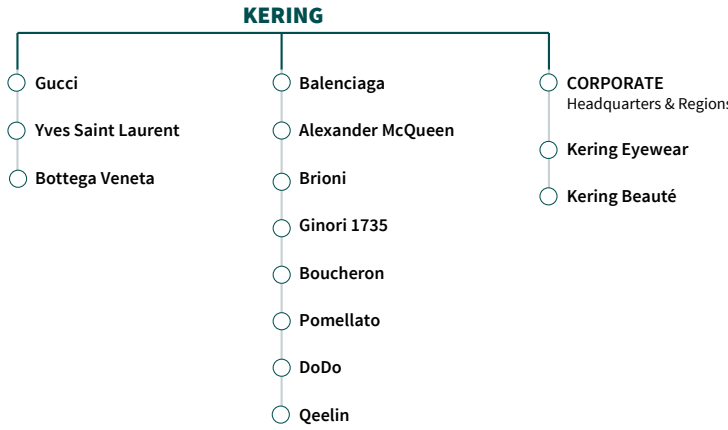
**Marie-Claire Daveu**
Chief Sustainability and Institutional Affairs Officer

**Armelle Poulou**
Chief Financial Officer

**Bartolomeo Rongone**
Chief Executive Officer Bottega Veneta

**Roberto Vedovotto**
President and Chief Executive Officer of Kering Eyewear

## 3.5 Simplified Group structure as of December 31, 2024[(1)]




(1) Chapter 6 contains a list of entities consolidated by Kering (Note 34 to the consolidated financial statements).

# 4 - OUR VALUE CREATION MODEL

## Leveraging RESOURCES of exceptional quality optimized by KERING...

### HUMAN CAPITAL

- 46,930 employees with unique know-how and creativity
- A network of several thousand suppliers located mainly in Europe (91%) and particularly in Italy (81%)

### FINANCIAL CAPITAL

- €1,432 million of free cash flow from operations (€3,568 million excluding strategic real-estate acquisitions)
- €1,108 million of gross operating investments (€3,309 million including strategic real-estate acquisitions) to support the growth of the group's houses, and in particular to develop their retail network comprising of 1,813 stores as well as a global online presence
- A core shareholder and institutional investors from France and around the world committed to supporting the Group's long-term development

### INDUSTRIAL CAPITAL

- Expertise being brought increasingly in-house through the integration of existing production and excellence centers and the launch of new ones
- Greater logistics capabilities with the construction of new logistics platforms and centers, which feature cutting-edge technology and meet demanding criteria in terms of environmental performance

### NATURAL CAPITAL

- Responsible use of natural resources and raw materials, on which the Group's business depends, guided by our sustainability targets
- Numerous initiatives to preserve and protect ecosystems, including the decision to stop using animal fur across all Houses

### INTELLECTUAL CAPITAL

- Innovations in terms of production (materials and processes), products and client experiences, which are key distinguishing features and help the Group anticipate new consumption trends

### SOCIAL CAPITAL

- A great sense of ethical responsibility, both within the Group and its Houses and when working with suppliers and other business partners, combined with strong values that inspire the Group's actions and business practices
- Kering Foundation, whose mission is to combat violence against women and which in 2023 extended its remit to include fighting violence against children

## ... the Group is helping to CRAFT tomorrow's luxury...

### ONE VISION
Our houses assert strong characteristics and act as sources of emotion and inspiration

### A FOCUS ON THE LONG-TERM
A family-controlled group that develops its houses with care

- Desirability
- Creativity
- Influence

### ONE CONVICTION
A market with huge growth potential

### FOUR KEY STRATEGIC AIMS
- Develop a balanced, complementary Group
- Fully realize the houses' growth potential
- Provide guidance and support to the houses through the Group's integrated business model
- Put sustainability at the heart of Kering's model and advancing the cause of women

### FINANCIAL PRIORITIES
that are clearly established

- Sustained investments to enhance the desirability and exclusivity of our houses
- Solid profitability
- Strong cash flow generation
- Balanced allocation of capital and resources

## ... and CREATES VALUE...

### by prioritizing organic growth and the development of adjacent segments

**Revenue** from **luxury activities**[1]

**x 3**

**2013**[2]**:** €6,470 M
**2024:** €17,194 M

**Revenue** in **jewelry**

**x 4**

**2013-2024**

**Adjacent segments**[3]

**+ €1.9**

**billion** in revenue
**2013-2024**

### by enhancing the exclusivity and desirability of its houses

**76%**

of revenue **coming from the retail channel**

**2024**

**€9**

**billion** cumulative **gross operating investments**[4]

**2013-2024**

**Advertising & promotional spend**

**x 4**

**2013-2024**

### by increasing profits and returns to shareholders

**Recurring operating income** from **luxury activities**

**x 1.5**

**2013:** €1,683 M
**2024:** €2,554 M

**Market capitalization**

**x 1.5**

**2013:** €19,395 M
**2024:** €29,405 M

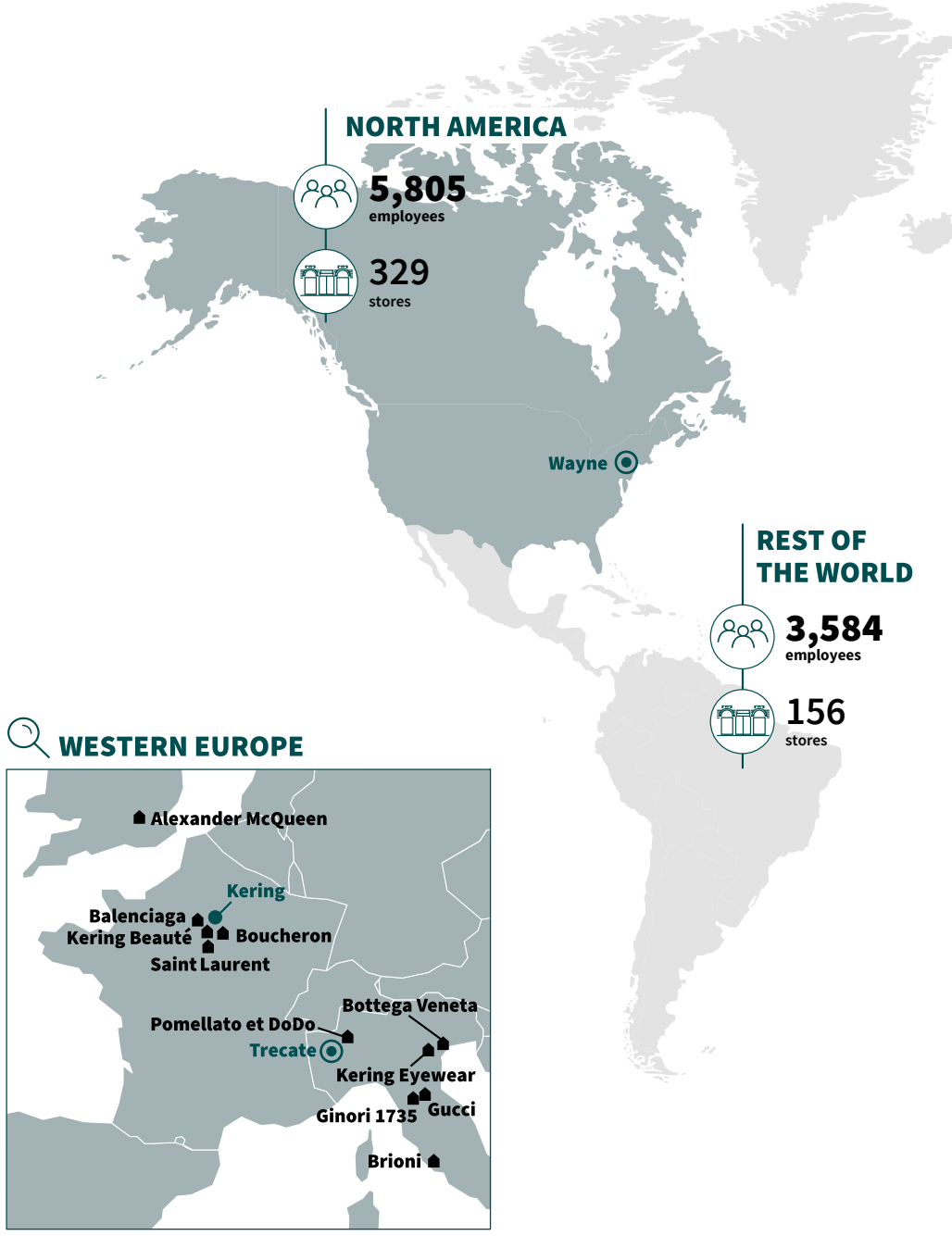
**Total Shareholder Return (TSR)**[5]

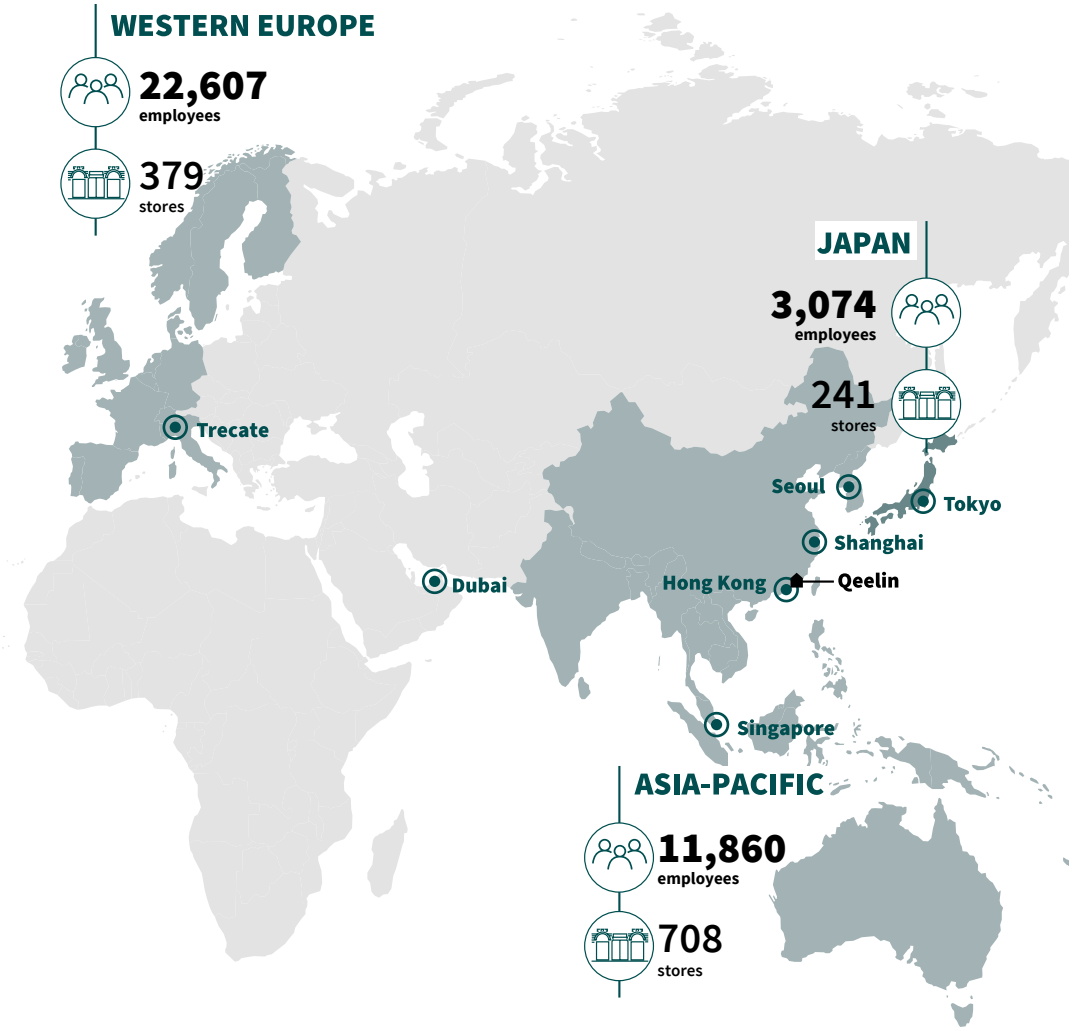
**142%**

**2013 - 2024**

(1) Annual revenue of the luxury activities as reported in 2013 vs. annual total group revenue in 2024.
(2) In 2013, PPR became Kering.
(3) Kering Eyewear and Kering Beauté.
(4) Excluding real estate acquisitions.
(5) The TSR measures the total performance of a stock by incorporating the share price evolution and dividends received over a given period.

## … EVERYWHERE around the world…






- Kering headquarters
- The Group's Houses headquarters
- Main logistics centers

# ... that it SHARES with its STAKEHOLDERS.

## EMPLOYEES

- Personnel expenses of more than €3 billion
- 621,807 hours of training (excluding safety training)
- Inclusion and diversity policy focusing on four main aspects: equality in terms of gender, opportunity and treatment, inclusion of people with disabilities and generational diversity

## SUPPLIERS AND BUSINESS PARTNERS

- 4,550 supplier audits conducted in 2024 regarding social, environmental and sourcing matters. 52% of those audits (excluding activation audits) were unannounced, since the Group wants to expand the practice of unannounced audits
- Support for suppliers in order to develop an environmentally and socially responsible supply chain through technical assistance, continuous improvement programs, training, etc.
- Continued research related to the living wage, aimed at identifying areas where progress can be made, and support for various organizations in this area

## CREATIVE TALENT AND EXCELLENCE IN CRAFTSMANSHIP

- Formal adoption of a craftsmanship preservation policy
- Brioni and Pomellato are stepping up their commitment to training new talent: Brioni has opened its Nazareno Fonticoli tailoring school and the Brioni Foundation, while Pomellato has developed its Pomellato Virtuosi training program

## CLIENTS

- Direct distribution channels guaranteeing a high level of service quality and respect for the Houses' image. Those channels represent 76% of revenue and reflect an increasingly exclusive distribution strategy
- An omnichannel digital client experience

## INNOVATION DRIVERS

- 8,000 textile component samples and 600 manufacturers listed in the Material Innovation Lab's materials library
- Launch of new materials such as Bananatex®, the result of a partnership between Balenciaga and QWSTION
- Partnership since 2017 with the accelerator Fashion for Good, which identifies sustainable innovation proposals for the fashion industry. In 2024, the emphasis was on resource-efficient treatments for industrial materials and PFAs-free treatments.
- Ongoing development of Kering Ventures, with the purpose of investing in innovative new technologies, brands and business models for the future of the luxury sector
- Jewellery Innovation Lab (JIL) dedicated to jewelry

## PLANET

- Validation of our climate targets by the Science Based Targets initiative. In 2024, Kering reduced its scope 1, 2 and 3 greenhouse gas emissions by 23% relative to 2022 and by 15% compared to 2023
- 83% of our raw materials aligned with the Kering Standards
- CDP Triple A List (Climate/Water/Forests)
- Adoption of science-based targets for the protection of freshwater and land as part of the Science Based Targets for Nature pilot
- Continued pursuit of our circularity ambition and publication of a guide to eco-designed packaging

## CIVIL SOCIETY, LOCAL COMMUNITIES AND NGOS

- Programs focusing on raw materials that have a positive impact on local populations, particularly through the Kering Regenerative Fund for Nature and the Kering Precious Metals Fund
- 21 new partnerships established by *Kering Foundation* in 2024 with organizations in South Korea, the United States, France, Italy, Mexico, and the United Kingdom to combat violence passed down from generation to generation.

## SHAREHOLDERS AND FINANCIAL COMMUNITY

- A balanced distribution policy with a payout ratio of around 50%, stable since 2020

# 5 - OUR STRATEGY

Kering's strategy is based on:

- **A vision of our houses as sources of emotion and inspiration that express a strong point of view.** They reinterpret their creative heritage in order to offer a new way of looking at the present, enabling them to arouse desire and exert significant cultural influence in a way that reflects their uniqueness and upholds a certain art de vivre. The idea of modern luxury that inspires us involves bold standpoints, a quest for excellence that encompasses the quality of our raw materials and finished products, the preservation of our expertise and the experience we offer to our customers, and the central role that sustainability plays in our business model.
- **A focus on the long term.** Kering is a family-controlled group whose staff strive to develop the houses, step by step, and to make them constantly more desirable, creative and influential. This long-term approach is central to our strategy of achieving growth and constant improvements in our performance.
- **A conviction regarding the luxury market's development potential**. The sector's long-term growth outlook is supported by fundamental trends such as the rise of new economic powers, demographic developments, and changing consumption habits. These transformative factors will continue to drive growth in the sector over the coming decades.

Based on these foundations, the Group's strategy is built on four key pillars:

## 1. Develop a balanced, complementary Group

- Kering has built a portfolio of luxury brands with complementary market positions, enabling it to cover the market's main segments: couture and ready-to-wear, leather goods and accessories, jewelry and high jewelry. When assessing acquisition opportunities, we aim to maintain the complementary nature of our brands.
- Kering has created two adjacent businesses focusing on eyewear (Kering Eyewear) and beauty (Kering Beauté). This enables it both to operate more effectively and with greater control in categories traditionally managed under licenses, but also to acquire brands specializing in these types of products in order to generate synergies and scale effects (such as Lindberg, Maui Jim and Creed). Kering Eyewear and Kering Beauté, as well as the benefits they offer to our houses as regards the consistency of their creative universes, visibility and ability to attract new customers, also give Kering a more stable and predictable growth profile.

## 2. Fully realize the houses' organic growth potential

- Depending on their level of maturity and market position, each house defines its own strategy under the Group's supervision. That supervision is intended to set a trajectory of profitable, sustainable and balanced development that both delivers revenue growth and maintains each house's exclusivity and brand equity. Continuously optimizing performance on a comparable structure basis is a key organic growth driver for Kering.
- All business lines are driven by a shared desire for excellence in execution, and help to implement the brands' organic growth strategies. Through communication initiatives that emphasize their heritage and creativity, the houses raise their profile and desirability. By constantly adjusting their ranges, brands offer exceptional products that help them attract and retain customers in their various market segments. By optimizing and controlling their physical and digital distribution networks, the houses make the most of new sources of growth, occupy the most exclusive retail locations and provide their customers with an exceptional retail experience.

## 3. Guiding and supporting the houses through the Group's integrated model

- Kering's business culture aims to encourage teams to respond quickly and the houses to take the initiative, as well as ensuring that operational decisions are taken as closely as possible to its markets. At the same time, an inseparable part of that culture involves putting in place mechanisms that protect its key assets – its brands – and having strategic oversight over the houses' financial performance, the allocation of resources and the Group's financial balance.
- As well as its oversight and protection role, Kering supports the development of its houses and provides them with the resources they require. Through its growth platforms (focusing on technology and logistics), its skills and service centers and its industrial assets, the Group has built an integrated business model. That model enhances efficiency through synergies and scale effects, and is of direct benefit to the houses in areas such as logistics, information systems, CRM, data science, media buying, real estate, and industrial equipment.
- Kering's integrated model also applies to talent management. We pay close attention to the professional development and fulfillment of the women and men working for the Group, and we take particular care to offer our teams career paths and development possibilities within the Group, so that we can attract and retain the best professionals. The policy of transferring people within the Group helps us develop a talent pool that enables us to develop succession plans for our most strategic roles, and to disseminate a shared culture.

**4. Putting sustainability at the heart of our model and advancing the cause of women**

- Sustainability is an ethical obligation that reflects society's new expectations as well as being an economic opportunity, because meeting the highest environmental and social standards makes us more innovative. We are proud to play a leading role in this area.
- Our commitment to women's causes is reflected in our human resources policies – and particularly our efforts to guarantee equal pay between men and women –, in our philanthropic activities through the Kering *Foundation,* which has been working to combat violence against women and children since 2008, and in the *Women In Motion* program, which highlights and celebrates women's place in the arts and culture.
- Our business culture includes a determination to be a responsible company in social and environmental terms, and we aim to encourage others to join us on that journey in order to speed up the paradigm shift. The way we do things is as important as what we do.

Within the long-term framework formed by the key aspects of our strategy, we make regular, pragmatic adjustments to our action plans and their implementation schedules. The resulting agility allows us to respond to changing economic circumstances, seize market opportunities and address new consumer trends.

# 6 - OUR MARKETS

## 6.1 Major trends in the luxury industry

### 2024: a slowdown in the luxury goods market

In 2024, macroeconomic conditions and multiple sources of geopolitical uncertainty affected consumers' real incomes and confidence levels in most regions of the world.

Experts and analysts currently estimate that the luxury sector saw zero growth in 2024 at constant exchange rates[(1)], with a significant deterioration in the second half of the year, particularly in Asia, excluding Japan.

The main factors to be taken into account when analyzing the sector's performance in 2024 are as follows:

- Global gross domestic product (GDP) is likely to show growth of 2.7% in 2024, the same as in 2023 but below the long-term average of 3.1% seen between 2010 and 2019. As regards individual regions, the latest estimates are that growth was weak in Europe (+0.8%), decelerated in China (+5% expected vs +5.2% in 2023) and more resilient than expected in the United States (+2.7%).
- Uncertainties arising from geopolitical events and elections, and the US election in particular, damaged consumer confidence and discretionary consumer spending. In China, the decline in consumer sentiment was clear in the second half, and causes included slower GDP growth, the ongoing crisis in China's real-estate sector—which accounts for the vast majority of the country's household savings—and the high rate of unemployment among young people. Stimulus measures announced by the Chinese authorities in September 2024 were mainly focused on the banking and financial sectors, and have not yet been sufficient to give fresh impetus to consumer spending and discretionary spending in particular. However, further measures have been announced in the meantime and more are expected.
- The delayed impact of higher interest rates held back growth in Europe and the United States. Although inflation fell significantly, moving close to central-bank targets, it remained stubbornly high in the service sector and continued to damage households' real incomes.
- The shift in consumer spending from luxury goods to services, accentuated by relatively high inflation, was a further drag on the luxury sector's growth.
- The luxury market saw lower store footfall and lower sales volumes, and these were not offset by price increases or changes in the product mix, which were moderate last year.

Trends in the luxury market varied between regions in 2024:

- In mainland China, the luxury market saw a sharp slowdown in 2024 and particularly the second half of the year, due to the aforementioned tough macroeconomic conditions.
- The US market, which had been slowing since the end of 2023, gradually improved in 2024 and especially in the fourth quarter, supported by buoyant financial markets and a lower base for comparison.
- The European market saw only a limited expansion in 2024 against a backdrop of sluggish economic growth. Tourism had a positive impact on the market in 2024, and US tourist numbers were particularly strong, although trends were mixed during the Paris Olympics. However, Chinese tourist numbers were lower than expected last year.

Japan stood out with strong growth in 2024, especially in the first half. That growth was driven by spending among tourists, who were attracted by prices that were very appealing because of the weak yen. Sales growth in Japan moved back to more normal levels from the third quarter onward as the yen strengthened in August and became highly volatile in the fourth quarter.

- The South Korean market was affected by fragile local demand, caused by high levels of household debt and by some South Korean consumers buying products in Japan because of price differentials. However, those price differentials narrowed at the end of the year. South Korea was also engulfed by a political crisis in December.
- Sales in Southeast Asia suffered from price differentials that adversely affected spending by tourists—despite measures making it easier to obtain visas—and encouraged local consumers to buy luxury goods in other countries.

(1) Source: Bain & Company, panel of financial analysts.

With customers becoming increasingly selective and demanding, the luxury market's performance also varied between product categories:

- The Apparel category grew in line with the sector, while Leather Goods slightly underperformed. The Shoes category suffered more from a widespread price increase, which made it less attractive to aspirational customers. Conversely, Jewelry was one of the best-performing categories in 2024, and was buoyed in particular by the high jewelry segment.

In 2024, the luxury market continued to see a premiumization trend in terms of both supply and demand:

- This trend is largely related to the economic situation, with high inflation and falling real incomes affecting less wealthy customer segments but leaving customers with the highest incomes or wealth levels relatively unscathed. In addition, the most timeless and upscale products are regarded as safe-haven assets at a time of uncertainty about other asset classes.

Finally, and after very strong growth during and immediately after the Covid-19 pandemic, online sales have grown in line with, or slightly more slowly than, sales in physical stores since 2023. Online sales are also more exposed to aspirational customers. However, the stronger trends seen in the United States in late 2024 could indicate an upturn in the online distribution channel.

At this stage, it remains difficult to predict how the luxury market will develop in 2025. Experts are cautious about the recovery in the Chinese market, expecting sales to remain subdued in the first half and then recover to a modest extent in the second. An increase in US import tariffs could also put greater pressure on the Chinese economy. On the plus side, experts are optimistic about the US market, which should benefit from a low base for comparison. Growth in that market should also be supported by solid trends in consumer spending and wealth effects resulting from the strong dollar and the bull market in financial markets and cryptocurrencies, particularly among the wealthiest households. Europe is expected to see moderate growth. Sales to tourists should remain a key growth driver in 2025. In particular, the rise in the dollar against the euro in the fourth quarter of 2024 should stimulate sales in Europe, and this could offset the decline in Japanese sales growth to more normal levels. Consultancies Bain & Company and McKinsey, along with the main financial analysts, are currently expecting growth in the luxury sector to fall within a range of 0-4% at constant exchange rates in 2025.

# 6.2 Overview of the luxury market[(1)]

## I. Size and trends

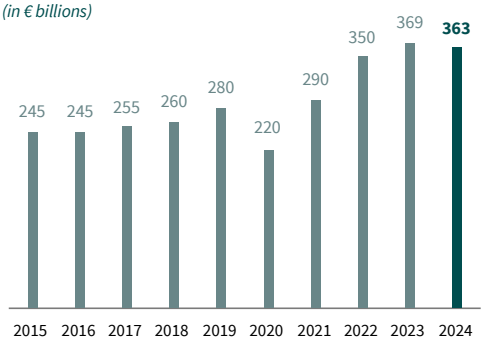
### Size and medium to long-term growth

In 2024, the global luxury consumer goods market generated revenue of around €363 billion.

In the medium to long-term (2024-2030), the luxury market is expected to grow by 4-6% per year, with revenue rising to around €480 billion in 2030.

**Estimated size of the luxury consumer goods market**

*(in € billions)*




## II. Competitive environment

The luxury goods market is made up of houses whose histories and identities are both strong and unique, and the market is characterized by the presence of large international multi-brand groups as well as a large number of smaller independent players.

These various players compete in several segments, which differ in terms of both product category and geographic location. Kering operates alongside the most prominent global luxury groups: LVMH, Richemont, Hermes, Chanel and Prada.

## III. Product categories

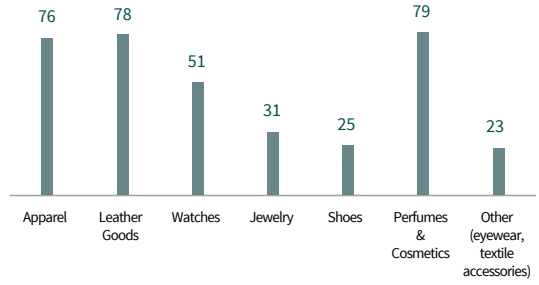
The global luxury consumer goods market breaks down into seven main product categories: apparel, leather goods, watches, jewelry, shoes, fragrances & cosmetics and "other goods".

In 2024, apparel and leather goods remained the sector's two largest categories.

Eyewear (included in "other goods") and fragrances & cosmetics were the fastest-growing categories, while watches and shoes performed less well.

**Estimated size of luxury product categories in 2024**

*(in € billions)*




(1) Sources : Bain-Altagamma.

### Apparel

The apparel category generated revenue of €76 billion in 2024, representing around 21% of the total luxury market. The category's average growth was in line with the overall average for the luxury sector last year. All Kering couture and leather goods houses operate in the apparel category, especially Gucci, Saint Laurent, Alexander McQueen and Balenciaga, while Brioni operates in the menswear segment.

### Leather goods

The revenue generated by the leather goods category in 2024 is estimated at €78 billion, representing 22% of the luxury market. This category covers all leather products, such as handbags, luggage and small leather goods (wallets, purses, etc.). Customers are increasingly selective and demanding, seeking pieces that are both timeless and creative, and growth in the category was between -5% and -3% last year, slightly below the average for the luxury sector. Kering operates in Leather Goods primarily through Gucci, Saint Laurent and Bottega Veneta, while Balenciaga is an emerging force in the category.

### Shoes

Revenue in this category is estimated at €25 billion, accounting for 7% of the luxury goods market in 2024. It underperformed last year, suffering from a general rise in prices that reduced its appeal for aspirational customers. It is also seeing tough competition from non-luxury brands, particularly those positioned in the sports and outdoor segments. Kering operates in this category primarily through Gucci, Balenciaga and Alexander McQueen.

### Jewelry

Bain & Company estimates that the Jewelry category generated revenue of €31 billion in 2024, representing 9% of the luxury market. It remains difficult to estimate the scale of this category because it is dominated by independent producers. Jewelry was one of the most resilient categories in 2024, and the high jewelry segment in particular outperformed. However, competition increased as couture houses developed their jewelry ranges and as major local players expanded outside of their domestic markets. Kering operates in this category primarily through Boucheron, Pomellato, DoDo and Qeelin. Its couture houses, particularly Gucci, Saint Laurent and Bottega Veneta, offer products that cover a wide array of price points, ranging from costume jewelry to High Jewelry pieces in Gucci's case.

### Watches

This category generated revenue of €51 billion in 2024, representing around 14% of the market. It underperformed in 2024 after a recent phase of growth. Kering's exposure to this category is limited.

### Fragrances & Cosmetics

Revenue in this category was estimated at €79 billion in 2024, making up 22% of the market. According to Bain, niche fragrances continued to be the category's main growth driver.

On February 3, 2023, Kering announced the creation of Kering Beauté in order to develop its expertise in the Beauty segment for Bottega Veneta, Balenciaga, Alexander McQueen, Pomellato and Qeelin. Beauty is a natural extension of Kering's luxury universe. On June 26, 2023, Kering announced the acquisition of Creed, an established high-end luxury fragrance house. In October 2024, Bottega Veneta launched its first collection of five high-end fragrances.

Kering also operates in the perfumes & cosmetics category through licensing agreements with certain leading industry players, such as L'Oréal, Coty and Interparfums, for its Saint Laurent, Gucci and Boucheron brands.

### Other goods (eyewear, textile accessories, etc.)

The global eyewear market is estimated to be worth around €130 billion (at retail prices) according to Euromonitor data. The category comprises several product segments including spectacles, contact lenses, sunglasses and other products. Bain and Euromonitor estimate annual sales in the luxury eyewear sub-segment at €17-24 billion. In 2024, the category continued to make progress, particularly through more upscale products and the development of specialist brands offering a high level of personalization. Kering Eyewear is positioned as a leading player in the high-end eyewear segment, with a diverse, balanced portfolio comprising brands such as Gucci, Cartier, Alaia, Alexander McQueen, Balenciaga, Bottega Veneta, Brioni, Chloe, Dunhill, Montblanc, Saint Laurent and Puma. The eyewear market is gradually consolidating through acquisitions. For example, Kering added to its eyewear brand portfolio in 2021 by acquiring Denmark's Lindberg and in 2022 by acquiring Maui Jim.

## IV. Sales by region and nationality

### Sales by region

Since 2021, the American continent has established itself as the world's largest luxury consumer goods market, overtaking Europe. However, growth in the American market has slowed since the end of 2022, and the deceleration became more marked in early 2023. In 2024, growth remained subdued in the first nine months of the year, before showing signs of improvement in the fourth quarter.

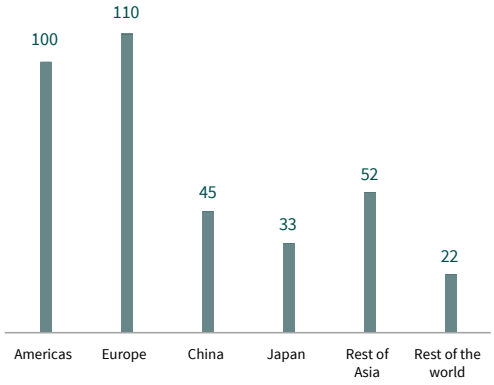
Following a slowdown that began in the second quarter of 2023, the European market saw only a limited expansion in 2024 against a backdrop of weak economic growth. The Paris Olympics adversely affected growth in France in the third quarter, and Chinese tourist numbers were lower than expected last year.

In mainland China, 2024 brought a sharp slowdown in the luxury market, particularly from the second half of the year against a backdrop of falling consumer confidence resulting from the economic environment.

Japan, meanwhile, posted very strong growth in the first six months of 2024, with sales underpinned mainly by Asian tourists attracted by large price differentials. The growth rate in Japan became more normative from the third quarter as the yen strengthened in August and as local prices increased.

**Worldwide luxury market: estimated breakdown by region in 2024**

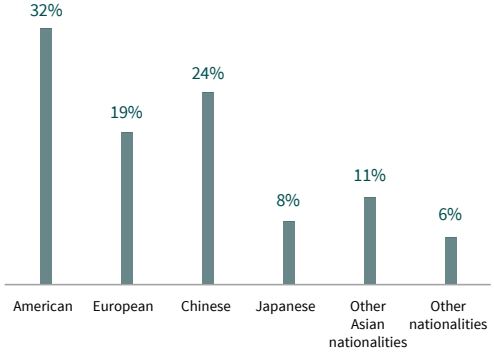
*(in € billions)*




## Sales by nationality

The breakdown of sales by nationality was broadly the same in 2024 as in 2023. Chinese consumers spent more on luxury goods outside of China in 2024, and particularly in Japan.ar, while that of European consumers was down one point.

**Worldwide luxury market: estimated breakdown by nationality in 2024**




# V. Distribution channels

## Retail channel

In 2024, the retail channel accounted for 53% of sales in the worldwide personal luxury goods market, slightly higher than the 2023 figure of 52%. A solid network of directly operated stores is crucial to a luxury brand's success, since it strengthens its relationship with end-consumers, gives it control over its commercial offering and allows it to safeguard its brand image.

Kering's houses generate a much larger proportion of their sales (76% in 2024) from the retail channel – which refers to sales made by the houses' physical and online stores – than the market average. This is due to Kering's strategic aim of giving its customers the best possible service, and also reflects the critical mass of its brands and their exposure to Leather goods, a category in which brands control their distribution more tightly.

## Wholesale channel

The wholesale channel mainly consists of department stores, independent high-end multi-brand stores and franchise stores. It accounted for approximately 47% of the total worldwide personal luxury goods market in 2024, down from 48% in 2023, having underperformed the retail channel. This channel usually accounts for a larger percentage of sales in the ready-to-Wear and Watches categories, and for brands at an early stage of their development.

For Kering's houses, the wholesale channel (which is also referred to as sales to third-party distributors and includes other revenues) accounted for 24% of their revenue in 2024. That proportion has fallen in recent years due to the Group's strategy of increasing its control over distribution and focusing on distributors with the best market positions.

## E-commerce

In 2024, e-commerce accounted for 20% of the luxury market, a similar proportion to that seen in 2023. This includes sales made through brand websites (retail channel) and via department store websites and e-tailers (wholesale).

Kering's houses manage their e-commerce sites directly. In 2021 and 2022, they took greater control in terms of multi-brand distribution, moving away from wholesale models and toward e-concession models. In 2024, e-commerce sales accounted for around 11% of Kering's retail sales on average.

# 7 - OUR HOUSES

## GUCCI

**Founded in 1921**

### 2024 key figures

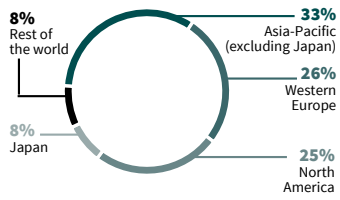
**€7,650 million**
revenue

**€1,605 million**
recurring operating income

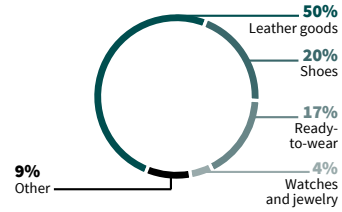
**20,032**
employees (average full-time equivalent)

**529**
directly operated stores

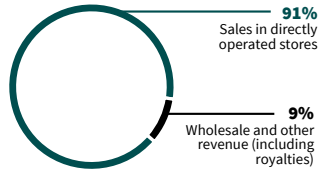
**Breakdown of revenue by region**



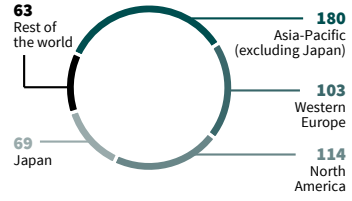

**Breakdown of revenue by product category**




**Breakdown of revenue by distribution channel**




**Number of directly operated stores by region**



## Business concept and strategy

Founded as a leather goods shop in Florence in 1921, Gucci has since become one of the world's most recognizable houses alongside Chanel, Dior, Hermès, and Louis Vuitton. The House's enduring relevance is deeply anchored in its Italian heritage and its unique position at the intersection of fashion and luxury.

Gucci epitomizes artisanal excellence, with designs renowned for their unparalleled quality and exquisite craftsmanship. Boasting a legacy spanning over a century, the House continues to redefine luxury by emphasizing quality, creativity, and innovation across its collections of leather goods, Ready-to-wear for women and men, shoes, as well as fine jewellery, watches and home décor.

Gucci strategically balances the essence of fashion and luxury across a diverse product portfolio, culminating in high-end creations. Its merchandising strategy emphasizes core categories, with a particular focus on enhancing its iconic handbag lines, while preserving and celebrating the House's century-long heritage. New product launches further bolster this vision, playing a pivotal role in strengthening the brand's identity, globally.

Gucci's retail network spans 529 directly operated stores, complemented by a prominent digital positioning, with its website engaging customers across several markets through a crafted multichannel experience. In recent years, the House has also streamlined its offline and online wholesale operations, while preserving controlled, strategic partnerships through selective concessions.

Through its commitment to preserving craftsmanship, refining product quality, and fostering creativity, Gucci is embracing a long-term brand elevation strategy, which permeates its collections and informs every aspect of its retail execution, client experience, and communications. In Italy, Gucci's industrial platform is the cornerstone of this vision, merging craftsmanship with cutting-edge innovation in the House's collections through its in-house prototyping and sampling laboratories, and manufacturing facilities.

The House's dedication to driving positive change through enduring environmental and social sustainability strategies is reflected in significant progress in transparency, accountability, and circular innovation, while minimizing its environmental impact across both direct and indirect operations. Its social commitments include promoting diversity, equity, and inclusion within the company and through key community programs.

## Key highlights 2024

Gucci's 2024 strategy is firmly grounded in its commitment to core business fundamentals, enhancing the positioning of key product categories through bold, impactful communications, while upgrading the client experience by optimizing its retail network and maintaining a focus on operational excellence.

Building on the Gucci Spring-Summer 2024 collection presented in September 2023, Gucci's collections throughout the year have seamlessly blended heritage, creativity, and innovation. The collections have combined uncompromising craftsmanship with contemporary design elements, reinforcing the House's aesthetics and advancing its modern vision of luxury.

Gucci's heritage and icons were prominently featured across the 2024 campaign schedule, upholding the brand's legacy while fostering connections to contemporary audiences. Key campaigns involving a select cast of Gucci's Global Brand Ambassadors highlighted iconic pieces such as the *Horsebit 1955* and *Gucci Blondie* handbags, as well as the *Horsebit 1953* loafer. The House's icons and timeless products were showcased alongside fashion collection novelties in seasonal activations, such as *Gucci Lido* and *Gucci Gift*.

In 2024, Gucci began optimizing its physical store network, a process that will continue progressively in the coming years with a focus on key locations. Meanwhile, the refurbishment program has progressed, with particular emphasis on flagship stores such as Gucci Wooster, Gucci Dubai Mall of the Emirates, and Gucci Wuhan International Plaza. The House has also progressed its omnichannel strategy to deliver a seamless customer experience, driving digital integration and advancing key service touchpoints across its retail network.

Gucci made significant developments in corporate governance throughout the year, focusing on streamlining operations and enhancing decision-making. These changes included the appointment of a new Chief Executive Officer, Chief Commercial Officer, and Chief People Officer. The House also strengthened its communications function with key appointments, including a new Senior Vice President of Global Communications.

For 2025 and beyond, Gucci will continue to intensify its efforts to boost brand desirability through enhanced quality, exclusivity, and fashion creativity. With a strengthened focus on operational efficiency and execution across product, communications, retail, and operations, Gucci is reinforcing its core business foundations, solidifying its leadership in the industry, while achieving its strategic objectives and securing long-term, sustainable growth.

# SAINT LAURENT

**Founded in 1961**

## 2024 key figures

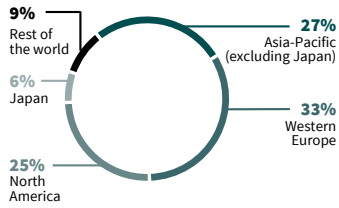
**€2,881 million**
revenue

**€593 million**
recurring operating income

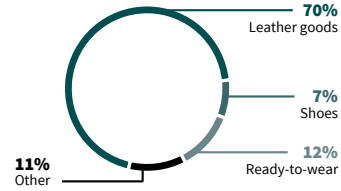
**5,297**
employees (average full-time equivalent)

**318**
directly operated stores

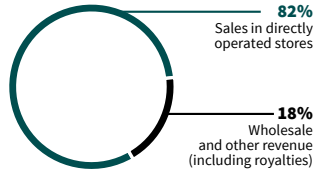
### Breakdown of revenue by region



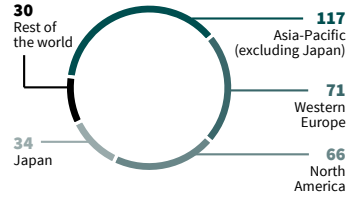

### Breakdown of revenue by product category




### Breakdown of revenue by distribution channel




### Number of directly operated stores by region



## Business concept and strategy

Founded in 1961 by Yves Saint Laurent, the House is one of the most prominent and influential names in global fashion and luxury. Originally established as a House of Haute Couture, Saint Laurent revolutionized the relationship between fashion and society in 1966 with the introduction of prêt-à-porter : high-end ready-to-wear collections produced on a larger scale than the exclusive haute couture pieces.

Since then, Saint Laurent has expanded its offerings to include, in addition to women's ready to wear, men's ready-to-wear, shoes, handbags, small leather goods, jewelry, scarves, ties, and eyewear. These product categories define a unique, highly desirable, silhouette.

The House's success stems from an uncompromising approach to creativity, quality, and craftsmanship. With clear, distinctive codes constantly expressed in compelling collections, Saint Laurent has become one of the most sought-after luxury houses globally.

Under the creative vision of Anthony Vaccarello and the leadership of Francesca Bellettini, Saint Laurent has built strong foundations for sustainable, long-term growth by optimizing its operations and strengthening its presence globally.

A steadfast commitment to operational and retail excellence is central to Saint Laurent's vision for the future. In 2024 the House continued to enhance customer experiences and further reinforced the exclusivity and quality of its distribution network, counting 318 directly operated stores as of December 31, 2024.

Saint Laurent's ambition is to further solidify its leadership in the luxury sector, ensuring long-term resilience and sustainable growth in the years to come.

## Key highlights 2024

In 2024, Saint Laurent placed significant emphasis on controlling distribution and store performance, leveraging product category opportunities and preserving its brand image. The House ensured a strategic presence across key markets, opening additional flagship locations and high-potential points of sale, featuring the new store concept.

The opening of a store in the Meatpacking district in New York City and of Babylone - a cultural destination and bookstore in the heart of Paris - demonstrated Saint Laurent's dedication to maintaining exclusivity while elevating customer engagement. These projects align with the brand's mission to enhance in-store experiences and create a stronger connection with its clientele.

In addition, unique events and activations, from personalized private appointments to immersive brand experiences, provided solid platforms for meaningful engagement and deeper connections with the customer base. These client development and retention actions resulted in increased conversion of new clients into loyal customers as well as in the acceleration of the company's business with elite clients.

Throughout the year, Saint Laurent remained constant in honoring its heritage and preserving its strong brand identity, ensuring its products offer remained balanced in categories and highly desirable, aligning with the qualitative standards of luxury consumers.

The House also expanded its cultural reach in 2024, co-producing three feature films that competed at Cannes: *Emilia Perez* by Jacques Audiard, *Parthenope* by Paolo Sorrentino, and *The Shrouds* by David Cronenberg. These films earned significant acclaim, including the Jury Prize and Best Actresses award. By December, *Emilia Perez* had garnered 10 Golden Globe nominations, making it the most-nominated film of the year.

Looking ahead, Saint Laurent remains committed to its long-term strategy of creativity, operational excellence, and brand elevation. Under the leadership of Cedric Charbit, who succeeded Francesca Bellettini as CEO in January 2025, the House is confident in its ability to sustain its growth trajectory while continuing to adapt to evolving market dynamics and consumer expectations.

# BOTTEGA VENETA

**Founded in 1966**

## 2024 key figures

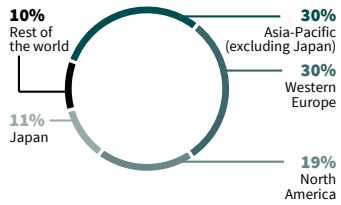
**€1,713 million**
revenue

**€255 million**
recurring operating income

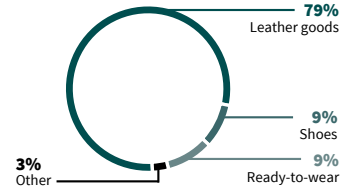
**4,034**
employees (average full-time equivalent)

**307**
directly operated stores

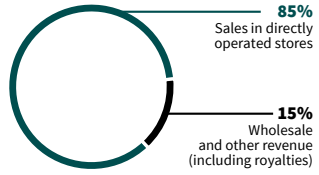
**Breakdown of revenue by region**



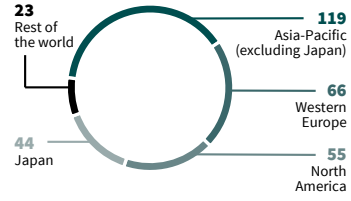

**Breakdown of revenue by product category**




**Breakdown of revenue by distribution channel**




**Number of directly operated stores by region**



## Business concept and strategy

Signature craftmanship, extraordinary creativity and Italian heritage have established Bottega Veneta as a successful luxury fashion house since its founding in Vicenza in 1966. Bottega Veneta is regarded as a legacy house, globally recognized for its product mastery and its signature *intrecciato*. Its aesthetic is highly regarded for its bold discretion, celebrating individuality, embracing non-conformity, honoring timelessness, and paying homage to cultural advocacy.

With the appointment of Bartolomeo Rongone as CEO in 2019, Bottega Veneta continues to elevate its brand positioning within the ultra-high-end luxury universe. Guided by an instinct deeply rooted in Bottega Veneta's founding principles—*Labor et Ingenium*, representing craftsmanship and creativity—Bottega Veneta's collections have garnered widespread acclaim.

In recent years, Bottega Veneta has successfully evolved from a leather house to a luxury house, with collections highlighting a full silhouette and a wider range of products, appealing to an international clientele of men and women. This strategy has propelled Bottega Veneta into new territories: while continuing to highlight subtlety, the House is engaging with a broader audience to unveil its full potential, maintaining a very balanced mix of new and existing customers.

Bottega Veneta continues to remain one of the few luxury brands offering a lifetime warranty on its iconic bags, reflecting its philosophy of creating products designed to last forever. This initiative underscores the House's commitment to sustainability and the enduring value of its craftsmanship.

The House's strategy prioritizes strict price discipline, selective distribution, and the "iconization" of key products. Retail development focuses on opening key flagship stores, creating Very Important Client (VIC) spaces, and enhancing its global network of directly operated stores.

As of December 31, 2024, Bottega Veneta operated 307 directly owned stores worldwide as well as e-commerce capabilities in more than 48 countries.

## Key highlights 2024

Bottega Veneta continued to affirm its long-term strategy with an ultra-high-end luxury positioning, focusing on brand elevation and desirability. The House remained at the forefront of international fashion weeks and received high praise from the press and creative communities.

In addition to its existing categories, Bottega Veneta expanded its product portfolio by introducing its candle and fragrance collections, adding a sensory dimension to its portfolio. Also, Bottega Veneta debuted fine jewelry to further enhance its offering for high spending clients. These launches highlighted the House's dedication to crafting timeless elegance and embracing new creative frontiers.

Bottega Veneta continued to refresh its store network and focused on select image openings in key luxury locations including Milan Galleria Vittorio Emanuele II, Sydney Castlereagh Street and Tokyo Azabudai Hills.

A defining moment for 2024 was the opening of the first Brand Home at Palazzo Soranzo Van Axel in Venice, an exclusive space offering top-tier clients an intimate, personalized experience that redefines bespoke luxury. Similarly, the Madison Avenue Residence in New York was unveiled, blending timeless design with unparalleled service to further engage Bottega Veneta's most valued customers.

Through iconic campaigns including the Portrait of Fatherhood campaign with Carrie Mae Weems and A$AP Rocky and the Going Places series with Jacob Elordi, Bottega Veneta amplified its storytelling with key ambassadors, reaching new audiences while reinforcing its core values.

Cultural advocacy remained central to Bottega Veneta's identity. Initiatives such as the On the Rocks installation at Salone del Mobile in collaboration with Cassina and the Waves event in Dubai reflected the brand's ability to merge artistry with innovation.

The House's commitment to the Arts shone through its collaboration with Pierre Huyghe for the Venice exhibition at Punta Della Dogana and its partnership with Tate Britain for Alvaro Barrington. Playful collaborations, such as the Richard Scarry capsule and the continuation of Bottega for Bottegas, emphasized the brand's support for artisans and cultural storytelling.

On December 12, 2024, Kering and Bottega Veneta announced the appointment of Louise Trotter as the new Creative Director for the House, marking the opening of an exciting new chapter in the brand's creative journey. Louise Trotter is celebrated for her ability to draw inspiration from real life and meticulous approach to craftsmanship. She joined Bottega Veneta at the end of January 2025.

In 2025, Bottega Veneta will continue to balance inclusivity with exclusivity while pursuing its vision to become the most desirable luxury brand in the world.

# Other Houses

## COUTURE, LEATHER GOODS

BALENCIAGA MCQUEEN Brioni

## *ART DE VIVRE*

GINORI 1735

## JEWELRY

BOUCHERON PARIS DEPUIS 1858 Pomellato DoDo qeelin

### 2024 key figures

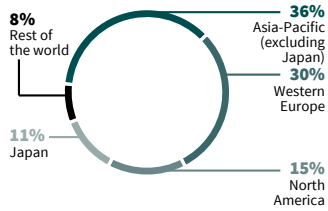
**€3,221 million**
revenue

**€-9 million**
recurring operating income

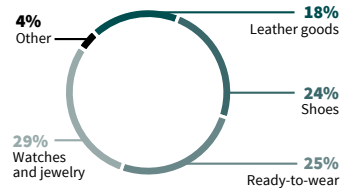
**9,242**
employees (average full-time equivalent)

**640**
directly operated stores

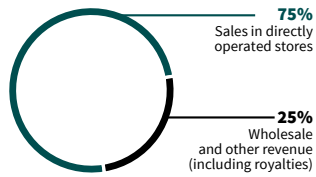
**Breakdown of revenue by region**



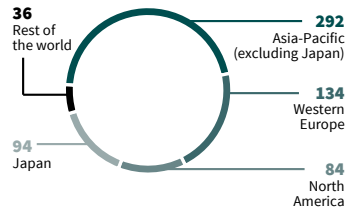

**Breakdown of revenue by product category**




**Breakdown of revenue by distribution channel**




**Number of directly operated stores by region**



# BALENCIAGA

**Founded in 1917**

## Business concept and strategy

Founded in 1917 by Cristóbal Balenciaga, the House of Balenciaga was established in 1937 in Paris, where it played a major role in defining the key trends in Fashion. From the 1990s to the early 2000s, the House experienced a rebirth, extending its product universe beyond its core Ready-to-wear segment to include handbags, and developing new lines of Shoes and accessories. Demna was appointed Artistic Director of Balenciaga in 2015. His innovative approach, combined with his mastery of techniques and use of volumes, make him a powerful force in today's creative world.

Balenciaga has re-entered the Haute Couture segment in 2021, after a 50-year hiatus, further consolidating the House's status as a fashion authority. Its creative vision is also realized through various collaborations with artists, cultural and technological partners, as well as other brands.

Retail and e-commerce development have been Balenciaga's priority in the last few years, with the aim of increasing control over its distribution. The House has pursued its retail expansion and the Balenciaga online store has strengthened its presence across all territories. This focus on directly operated retail has opened business development opportunities, by increasing the House's omnichannel capabilities and improving time to market.

Balenciaga is fully committed to pursuing sustainable development by fostering the values of inclusion and diversity and promoting responsible luxury.

As of December 31, 2024, the House had a network of 271 directly operated stores and its online activity covers 49 countries across all Regions.

## Key highlights 2024

In line with its positioning and strategy, Balenciaga achieved significant key milestones throughout the year. The store count remained stable but included the opening of key flagships in Tokyo, New York City, Shanghai and Beijing, further reinforcing its presence in luxury markets worldwide.

The House presented remarkable runway shows in 2024. The Spring 25 collection, unveiled on May 30 in Shanghai, was inspired by the city's iconic skyline and showcased a diverse collection ranging from futuristic to elegant silhouettes composed in the finest experimental and sustainable materials. Set against the breathtaking backdrop of the Museum of Art Pudong, the show was one of the year's standout moments, involving collaborations with local and international cultural and high-tech partners.

The 53rd Couture collection revealed on June 26 in the historic Couture Salons at 10 avenue George V blended the House's signature codes with modernized techniques and innovations. The Summer 25 collection, unveiled in Paris on September 30, was an exploration of contrasting proportions in heritage-inspired cocoon sculptural outerwear as well as intricate embroidery trompe l'oeil lingerie and emblematic hourglass silhouettes. Balenciaga's Fall 25 collection, presented in December through a digital-first format.

The House's elevation from hype to timeless was further continued through best-selling bags. Balenciaga's hit leather goods were featured in successful campaigns. The *Characters* campaign captured by Nadav Kander featured the iconic *Rodeo Bag* with Kim Kardashian, Isabelle Huppert, and Naomi Watts in July. The *Bel Air* bag campaign, in October, highlighted its timeless design with portraits of Kate Moss, K-pop star Juyeon, and Kit Butler photographed by Mario Sorrenti. November saw the *Le City* Bag campaign produced by Lauren Greenfield, celebrating the dynamic energy of Balenciaga's front row like personalities Devon Lee Carlson, Camille Charriere, Paloma Elsesser at a runway show boosting the *Le City* bag's status as the ultimate iconic bag.

Innovation was at the heart of Balenciaga's 2024 strategy. In July, the brand introduced an immersive experience on the Apple Vision Pro, allowing users to engage with the Spring 25 show in Shanghai through exclusive drone views, stereoscopic footage, and an interactive lookbook, underscoring Balenciaga's commitment to blending fashion with cutting-edge technology. Additionally, the limited-edition *Triple S* Sneaker made with Bananatex®—a sustainable material derived from the Abacá banana plant—further emphasized the brand's focus on responsible innovation and sustainability.

Since January 2025, Gianfranco Gianangeli is CEO of Balenciaga, succeeding Cédric Charbit, appointed CEO of Saint Laurent.

# MCQUEEN

**Founded in 1992**

## Business concept and strategy

McQueen is a British luxury house founded by Lee Alexander McQueen in 1992. The House joined Kering in 2001 and has been under the creative direction of Seán McGirr since December 2023.

From its inception, the House has been defined by its expression of individuality and subversive strength. Rooted in Lee Alexander McQueen's training on London's Savile Row, the House pushes the boundaries of British tailoring traditions, emphasizing cut, proportion, and silhouette. Inspiration is often drawn from nature, British heritage and contemporary culture, with distinct narrative woven throughout the House's collections and fashion shows. Today, with a design studio and atelier based in London, McQueen upholds its foundational values, renowned for its uncompromising creative vision and incisive tailoring.

As of the end of 2024, McQueen's distribution covered 23 countries worldwide, through a network of 104 directly operated stores.

## Key highlights 2024

2024 was characterised by renewed momentum in communications along with a new creative direction, further penetration in key product categories within Women's and Men's ready-to-wear as well as leather goods.

Having joined the House at the end of 2023, Seán McGirr presented his first show for Autumn Winter 2024 in Paris. Inspired by McQueen's early Nineties collections and by London's distinctive characters and instinctive energy, the creative direction explored the house's signatures through a contemporary lens.

McQueen's Spring Summer 2025 show was held in September at the École des Beaux-Arts in Paris. Inspired by the Irish folkloric figure of the banshee, the collection featured fluid hand-shredded fabrics and intricate embroideries juxtaposed with signature McQueen sharp, twisted tailoring.

The House launched the McQueen T-Bar Sling bag as a core focus in leather goods and new house signatures were established most notably with the McQueen T-Bar being featured across all collections in ready-to-wear and accessories.

Throughout the year, McQueen has produced notable red carpet moments and strong connections with talents from around the world, with a particular focus on the music industry. As an illustration, in May, Lana Del Rey attended the Met Gala in New York wearing custom-made McQueen.

To celebrate the Autumn Winter 2024 collection landing in stores, regional trunk shows were held in New York, London and Beijing, presenting the new collection and creative direction to global clients.

Additionally, the brand made strategic decisions to consolidate its store network to enhance operational efficiency and drive sustainable growth (strategic openings whilst closing selective underperforming locations). The primary focus remains on key flagship doors. The House kept increasing focus on local customers and on enhancing its online presence.

Finally, the House is committed to philanthropic and educational endeavors through continued sponsorship and support of the Sarabande Foundation as well as A Team Arts Education, a London-based youth arts community group. The House also provides the Alexander McQueen scholarship at Central Saint Martins to support emerging talent and offers a wide programme of workshops, projects and fabric donations to a network of educational institutions around the UK.

Brioni

**Founded in 1945**

## Business concept and strategy

Since 1945, the Brioni style is one of effortless modern elegance. It stems from excellence through in-house sartorial savoir-faire and perpetual quest for the finest materials. Over the years, Brioni strengthened its global reputation notably through its link with the world of cinema and the red carpet.

Founded by Italian master tailor Nazareno Fonticoli and entrepreneur Gaetano Savini, the House offers, in addition to its state-of-the-art Bespoke service, Ready-to-wear, Leather goods, Shoes and Accessories, both for formalwear and leisurewear, as well as fragrances.

All these pieces are meticulously handmade in Italy by expert artisans and most of the production is made at the Brioni ateliers established in 1959 in Penne, a small town in the Abruzzo region. Brioni products are designed and crafted in the spirit of 'slow luxury', taking the very best of its sartorial art combined with sensibilities for today's lifestyle. The House believes true luxury is meant to last and each piece is created with an understanding of its intrinsic value, with every act considered, beginning with precious materials sourced with care from the natural world to the specialized skills Brioni's artisans have been using for generations.

Brioni's offering is available through a network of over 46 directly operated stores, located in Western Europe, North America, Japan, South Korea and Greater China. This distribution network is further completed by franchise stores and wholesale partners, as well as by e-commerce.

## Key highlights 2024

In terms of retail distribution, Brioni returned in 2024 to the United Arab Emirates and Mexico with the opening of two new directly operated stores. In addition, the House opened a second store in Texas (Houston) and refurbished several stores, notably in Seoul, Osaka, London Harrods and Beijing. Finally, during this period, Brioni expanded its presence in Central Asia with the opening of franchise stores in Almaty and Astana.

This year saw actor and producer Oscar Isaac as new Brioni House ambassador. The campaign was showcased on business newspapers and magazines, digital media outlets as well as outdoor billboards in selected cities worldwide. Also in September, the fifth and final fragrance of *Les Eaux de Parfum* collection, *Eau de Parfum Suave*, was launched worldwide.

Brioni remains committed to excellence, with the reopening of the Scuola di Alta Sartoria Nazareno Fonticoli in Penne (Italy). With the important mission to educate the next generation of tailors, the school strengthens the close relationship with the local area, where Brioni has developed its craftsmanship for over sixty years.

Brioni also published this year its manifesto 'The Art of Slow Luxury', a document describing the House's vision on sustainability as a business model. This manifesto was formally launched during the yearly Global Fashion Summit in Copenhagen. In recognition of the manifesto, Brioni received the SFA Craft and Artisanship Award at the 2024 Camera Nazionale Moda Italiana Sustainable Fashion Awards, held at at Teatro La Scala in Milan.

GINORI 1735

**Founded in 1735**

## Business concept and strategy

The history of the Ginori Manifattura (today Ginori 1735) began in 1735 in Doccia, a small town close to Florence. Inspired by his passion for white gold, Marquis Carlo Andrea Ginori started a porcelain factory which was destined to become a worldwide icon of style.

Since the 18th century, Ginori 1735 has been one of the finest expression of Italian excellence in pure porcelain and design, always associated with great names in fashion, art, design, architecture, film and decor.

Today, the brand creations represent a blend between centuries-old artistic craftsmanship and innovation, including tableware collections, art and living objects like fragrances, lamps, furniture, fabrics, crystalware and cutlery.

In addition to the historical Florence boutique, the House has stores in Milan, Paris, London and Rome. The House's products can also be found in some of the most prestigious department stores around the world and can count on important partnerships with some of the most prestigious luxury hotel chains and among the most refined restaurants.

## Key highlights 2024

In April 2024, during Milan Design Week, Ginori presented Diva, a new tableware and home decor collection, a joyful reinterpretation of the Colonna collection, reimagined in four pastel colors and defined by sophisticated gold borders. With its contemporary design, Diva pays homage to the vibrant energy of mid-century Italian design with a modern look towards the future.

2024 was also the year of Café Ginori, an innovative dining experience featuring a perfect match between food and porcelain. The format will be implemented in 5-star hotels and high-end department stores. The first 2024 openings were at Bergdorf Goodman in New York, at St Regis Hotel in Florence (part of a wider partnership) and at Hotel de la Ville in Rome, with more openings to come in 2025.

During the year Ginori 1735 continued its collaboration with actor Jake Gyllenhaal who appeared in the new advertising campaign in May. This was a second chapter of a story that celebrates beauty, artisanal skill and creativity. The multimedia campaign was live worldwide in October this year.

BOUCHERON
PARIS DEPUIS 1858

**Founded in 1858**

## Business concept and strategy

Frédéric Boucheron founded his eponymous house in 1858 and it has been built up by four generations of his direct descendants. The first major contemporary jeweler to open a store on Place Vendôme in Paris, Boucheron is now an exponent of excellence in jewelry, high jewelry and timepieces. Boucheron stands out through its avant-garde approach. The House is now headed by two women, Hélène Poulit-Duquesne (CEO) and Claire Choisne (Creative Director), who are taking an innovative and creative approach to high jewelry, seeking to push back its limits and offer collections that allow wearers to express their own style and unique personality regardless of gender. As of December 31, 2024, the House had a network of 61 directly operated stores around the world, and worked with a limited number of third-party distributors.

## 2024 highlights

In 2024, Boucheron continued to assert its unique status within its sector. It was named "Jewelry Brand of the Year" by Women's Wear Daily (WWD), and the House unveiled two new high jewelry collections with strong creative propositions. In January, with its new *Histoire de Style* collection entitled *The Power of Couture*, the House's Creative Director chose to revisit the heritage of Frédéric Boucheron, taking inspiration from ceremonial attire. The collection takes a new approach to the concept of ceremonial ornaments, metamorphosing them through the ingenious application of rock crystal and diamonds. Its 24 high jewelry pieces represent a path toward a new vision of couture.

In July, Boucheron unveiled *Or Bleu*, a *Carte Blanche* collection that pays homage to memories of water. To capture the color, texture, rhythm, reflection and even transparency of water, Boucheron once again pushed back the limits of creativity with 26 high jewelry pieces that act as snapshots of nature in its rawest form, encapsulating its beauty for all eternity.

In 2024, Boucheron accelerated its international expansion with its official arrival in the United States: it launched its boucheron.com/us e-commerce site and opened two stores, the first on New York's iconic Madison Avenue and the second within Fontainebleau Resort in Las Vegas. In September, to mark the occasion, Boucheron held an event open to both the press and the general public, which presented the House's defining features and provided an exclusive US preview of its latest jewelry innovation, the *Quatre 5D Memory ring*.

Finally, during 2024, Boucheron was joined by two more leading figures who embody its values: actor Pierre Niney as Friend of the House, and artist MINA from the global girl group TWICE as Japan Ambassador.

Pomellato

**Founded in 1967**

## Business Concept and Strategy

Since 1967, Pomellato has carved its distinctive contemporary fine jewelry, crafting each creation by hand at Casa Pomellato.

Drawing inspiration from its Milanese roots, the House celebrates both traditional craftsmanship and unconventional design through vibrant gemstones, always guided by the will to empower women.

The Maison's signature collections — from iconic *Nudo* to golden *Iconica* and *Pomellato Together* — are complemented by high jewelry creations.

As of December 31, 2024, the House has a distribution network consisting of 68 directly operated stores, 12 franchise boutiques, around 500 wholesale doors and an online store.

## Key Highlights 2024

2024 marked transformative milestones in Pomellato's global expansion. The House strengthened its luxury positioning with the launch of the *Pom Pom Dot* line and *The Dualism of Milan h*igh jewelry collection. A landmark retrospective in Shanghai showcased over 100 jewels alongside international photography, celebrating Pomellato's creative legacy.

Strategic initiatives included new luxury packaging and enhanced global digital engagement. The Maison's social commitment shone through its "Pomellato for Women" platform, while Pomellato's forum united 500 participants in Milan to address solutions on violence against women.

For 2025, Pomellato aims to amplify brand momentum by focusing on core collection development and strategic media investments to drive continued growth and desirability.

DoDo

**Founded in 1994**

## Business concept and strategy

Founded in 1994, DoDo is an Italian "charming jewelry" house from Milan. For three decades, the brand has created unique and playful jewels that capture life's precious moments through collectable pieces and charms. Iconic collections like *Nodo, Bollicine, Granelli,* and *Stellina* are designed for creative mixing and matching.

The House has enhanced its positioning with premium daily jewelry while maintaining its charm-centered heritage.

Committed to inclusivity and sustainability, DoDo uses 100% responsible gold while supporting environmental causes.

With 15 directly operated stores, 22 franchise boutiques, and 400 wholesale doors across 26 countries, DoDo continues to grow globally.

## Key Highlights 2024

In 2024, DoDo celebrated its 30th anniversary with a program culminating in a Rome event, renewing its WWF partnership for the 18th time to protect the Mediterranean Monk Seal.

During the year, DoDo strengthened its visibility in Europe, especially in the German market, through store events. The year concluded with an event at Milan's Teatro Gerolamo and a holiday campaign featuring international talents.

DoDo's social commitment extended to collaborations with Tenaka for coral reef restoration and Casa Arcobaleno in Milan.

# qeelin

**Founded in 2004**

## Business concept and strategy

Qeelin is a playful fusion of Oriental symbolism and modernity. Since its launch in 2004, Qeelin has connected Eastern and Western cultures in a contemporary way for the world of fine jewelry with a mission to surprise and fascinate customers, showcasing the House's creativity and craftsmanship.

With its references to many East Asian myths, its iconic *Wulu* collection symbolizes good fortune and positive energy. Qeelin's other core collections are *Yu Yi*, which symbolizes protection, and *Bo Bo*, inspired by the panda, an animal that embodies friendliness, innocence and peace.

Since its acquisition by Kering in 2013, Qeelin has repositioned itself to connect with a wider and younger audience, with a very strong focus on the Greater China Region.

Qeelin operates in the highly promising luxury jewelry category, which is gaining market share from the non-branded jewelry segment. The House benefits from a unique brand positioning and product range, enabling it to compete with renowned Western brands.

As of December 31, 2024, Qeelin had a distribution network of 59 directly operated stores, of which 51 are located in Greater China and is present as well on WeChat, Tmall Luxury Pavilion and JD.com.

## Key highlights 2024

This year, Qeelin celebrated its 20th anniversary, an important milestone for the House.

Qeelin strengthened its jewelry portfolio, reinforcing the *Wulu* collection with new product categories such as the *Wulu tag* and modernizing the design of *Yu Yi* collection.

The House further developed its fine jewelry offering with exquisitely crafted and renewed *Qin Qin, Bobo* and *Bamboo* pieces of jewelry. Qeelin also hosted its second fine jewelry event with celebrities in Hangzhou in March.

In terms of distribution, Qeelin upgraded and extended its store concept with larger and more contemporary boutiques including VIP rooms to improve the customer experience. In addition the House opened new flagship stores in Shanghai (Plaza 66), in Tokyo Ginza (certified LEED gold – Leadership in Energy and Environmental Design), and Hong Kong (Harbour City), as well as airport boutiques in Changi Singapore, and Hong Kong International Airport.

Qeelin also continued to invest in enhancing its operations by introducing an advanced and agile new production planning process.

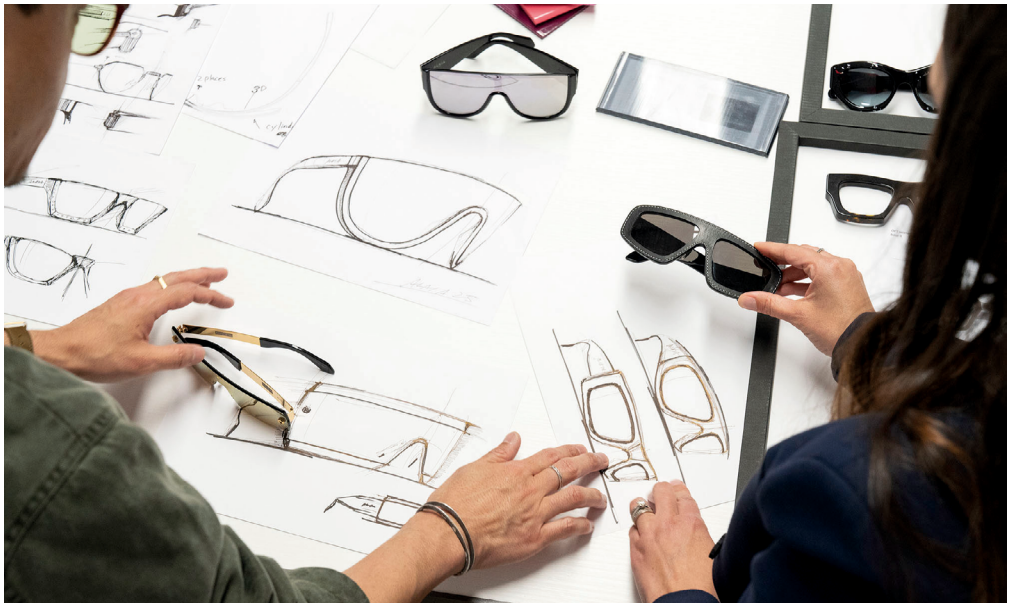
In terms of communications, Qeelin sustained its efforts in Greater China with the announcement of a new Global Brand Ambassador, Lay Zhang, earlier in January, as well as major Out-of-Home (OOH) advertising campaigns in key cities and airports.

The House reinforced its investments in culture with the Year of the Dragon Yu Long River campaign and the partnership with Dunhuang Museum.

Qeelin pursued its environmental commitment in favor of biodiversity, and renewed its partnership with WWF China to support the restoration and maintenance of the natural panda habitat and ecosystem.

KERING EYEWEAR

**Founded in 2014**



## Business concept and strategy

Launched in 2014 by Kering and a group of managers led by Roberto Vedovotto, Kering Eyewear's mission is to develop in-house eyewear expertise for the Group's houses. The first collection was unveiled in 2015.

In 2017, Kering Eyewear signed a partnership agreement with Richemont, through which some of its brands were added to Kering Eyewear's portfolio and Richemont became a shareholder of the company.

Since 2021, Kering Eyewear has continued its development also through the acquisition of proprietary brands: the Danish luxury eyewear brand Lindberg in 2021 and the iconic US sunglass brand Maui Jim in 2022. Today, Kering Eyewear designs, develops, and distributes a unique portfolio of 14 brands.

To ensure product excellence and uphold the industry's highest standards, Kering Eyewear leverages unparalleled expertise and craftsmanship, through its collaboration with the best manufacturers worldwide, its three own production plants — Manufacture Kering Eyewear, Usinage & Nouvelles Technologies (UNT) in France, and Trenti S.p.A. in Italy — as well as Lindberg's proprietary production facilities.

Through a quality-focused approach to sales and distribution, the company serves around 30,000 customers and 60,000 points of sale worldwide in 150 countries, providing all brands in the portfolio with broad market coverage, aligned to their market positioning and desired visibility.

## Key highlights 2024

2024 marked another milestone for Kering Eyewear as the company celebrated its 10th anniversary.

Throughout the year, Kering Eyewear kept on strengthening its leading position in the luxury eyewear industry amid challenging market conditions.

Marketing and communication activities as well as sales events worldwide were executed to support all brands in the portfolio. In particular, while progressing with integrating its proprietary brands, the company focused on the commercial development of Maui Jim following its acquisition. In this regard, it started distributing Maui Jim's first and second collections developed by Kering Eyewear (collection "Ekahi" and collection "Elua"), launched a global advertising campaign featuring new brand ambassadors, and announced a three-year partnership between the brand and Red Bull spanning various initiatives dedicated to fans, athletes and consumers.

In 2024, Kering Eyewear's specialist production center in Sucy-en-Brie (France), Manufacture Kering Eyewear, was awarded with the prestigious "Entreprise du Patrimoine Vivant" label: a recognition granted by the French Government to distinguishing companies that possess excellent industrial and craftsmanship skills.

Kering Eyewear intends to continue realizing the full potential of all its brands, in both the sunglasses and optical frames segments, and to cement its presence across channels and markets all around the world to ensure sustainable long-term growth.

KERING BEAUTÉ

**Founded in 2023**

## Business concept and strategy

Established in 2023, Kering Beauté was created to develop in-ouse beauty expertise for the Group and operate a portfolio of powerful brands in beauty.

The division has a dual objective: (i) to reinforce the leading positioning of Creed in high end perfumery and unlock significant growth opportunities including the acceleration of the brand's development in Greater China and in travel retail, and further expansion of the feminine fragrance portfolio, body and home categories; and (ii) to help Kering's houses to reach progressively their full potential in the Beauty segment, a natural extension of their respective universes.

Kering Beauté ensures excellence in execution by maintaining strong control over the value chain, encompassing product development, marketing, supply chain and distribution.

By capitalizing on each house's unique identity, while respecting their strategies and market positions, Kering Beauté places innovation and creativity at the heart of its business model with the aim of creating the sustainable, responsible beauty of tomorrow.

## Key highlights 2024

During the year, Creed announced the latest additions to its fragrance portfolio: Queen of Silk, becoming the largest feminine launch of the brand ever and the Amber Duo, Centaurus and Delphinus, directly populating the amber olfactive family, the first time for Creed. Additionally, Creed opened five boutiques, including Doha (Qatar), Plaza 66 (Shanghai, China) and Phuket (Thailand), while also enhancing its presence in department store counters and global gateway travel retail locations worldwide.

In 2024, Kering Beauté introduced its first fragrance and candle collections for Bottega Veneta marking a significant milestone for Kering in high-end beauty. The new line of scented candles is deeply rooted in artisanal craft and handmade in Italy. The fragrance collection, with 5 exceptional *Eaux de Parfums*, draws inspiration from the House's roots in Venice. With 100% natural origin ingredients, each fragrance is a blend of precious essences from different corners of the globe. An expression of Bottega Veneta's unique artisanal heritage and utmost level of Italian know-how, the bottles are made of undulating glass and displayed on a marble base. They are refillable and use sustainable materials in every component of the design. Both collections are exclusively distributed through Bottega Veneta stores and online.

In 2025, Kering Beauté will reach new milestones, notably alongside the House of Balenciaga.

# 8 - OUR APPROACH TO SUSTAINABILITY

## 8.1 Our organization

The Board of Directors determines the strategic direction of the Company and ensures it is pursued in accordance with its corporate purpose, while paying close attention to the social and environmental issues linked to its activities. The Sustainability Department implements the Group's sustainability strategy at the operational level.

The Board of Directors also has a Sustainability Committee since 2012. That Committee assists the Board in supervising sustainability matters. It takes part in defining the Group's sustainability strategy, including in relation to decarbonization, climate change and biodiversity, and monitors its implementation. The Board has also increased its ability to take these issues into account by appointing a Lead Independent Director (in 2019) and a Climate Change Lead (in 2022)[1].

To help ensure that sustainability topics are included in the Board's work, joint meetings of the Audit and Sustainability Committees have been established. The first two such joint meetings took place in 2024, and the initiative aims to encourage joint discussion of matters relating to both Committees – particularly sustainability impacts, risks and opportunities and the Group's sustainability statements – using a multi-dimensional approach.

More than 50 specialists reporting to the Chief Sustainability and institutional affairs officer – who is a member of the Executive Committee – assist the houses with the implementation of the Group's strategy by systematically looking for potential synergies and continuous improvement. In addition, each house has at least one sustainability lead, while the larger houses have entire sustainability teams. As a result, Kering has more than 100 people working solely on sustainability.

## 8.2 Our strategy for 2025

Sustainability has always played a central role in Kering's strategy. Many of Kering's activities rely on high-quality raw materials and exceptional expertise, and so depend directly on balanced, smooth-running ecosystems and respect for individuals. Protecting resources and the planet, and having a positive impact on its employees, partners, suppliers and their communities, is therefore vital for the Group to continue growing in a sustainable way. The focus on sustainability is also an opportunity to reinvent the luxury industry as a whole, in order to devise a more sustainable and responsible form of luxury. Accordingly, Kering is implementing an ambitious Sustainability Strategy for the period until 2025, reflecting the vision and ambition of the Group's senior management.

To stay attuned to issues that are priorities for its stakeholders and contribute to the movement toward more sustainable luxury, Kering has adopted a consultation approach based on dialogue and analysis of stakeholder expectations at the Group level. The Group's Sustainability Strategy is regularly informed by dialogue with the various stakeholders.

Since 2013, Kering has carried out several materiality analyses highlighting priority issues, consistent with the Group's own priorities and the expectations of stakeholders.

The main objectives of the Group's Sustainability Strategy and actions are organized around three pillars and are aligned with the United Nations' Sustainable Development Goals (SDGs):

**CARE**
**FOR THE PLANET**
**Take action to reduce our environmental footprint and to preserve the planet and its natural resources**

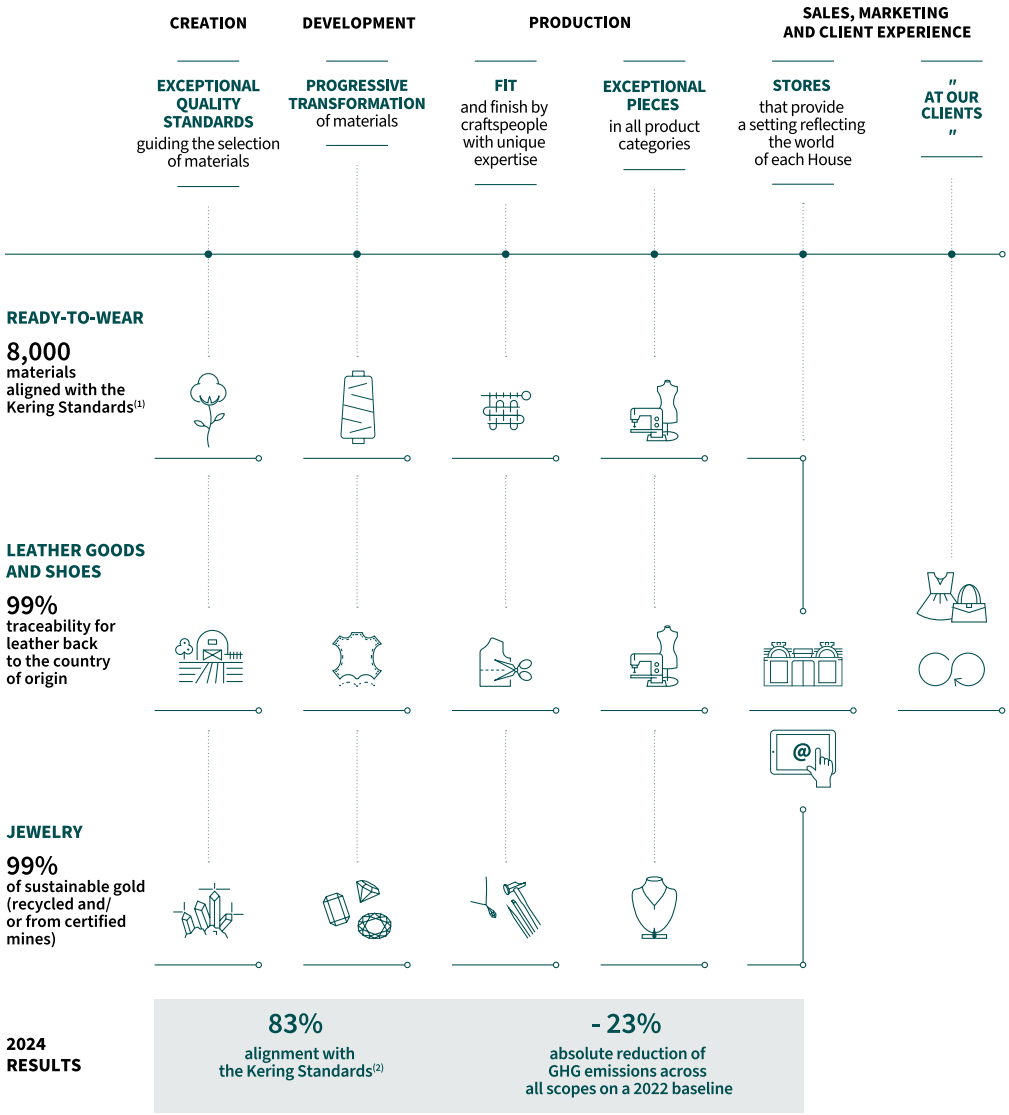
**COLLABORATE**
**WITH PEOPLE**
**Commit to supporting the well-being of our employees, suppliers and customers**

**CREATE**
**NEW BUSINESS MODELS**
**Devise innovative solutions to put our houses, our industry and our planet on the path to sustained success**

Details regarding Kering's progress in fulfilling its Sustainability Strategy are provided in chapter 4, "Sustainability statements".

[1] The duties of the Lead Independent Director and Climate Change Lead are detailed in section 3.1 of this chapter entitled "A Board of Directors with a long-term vision for the Group".

## Environmental impacts relating to the product life cycle and the sale of products




(1) Listed in the Material Innovation Lab.

(2) The Kering Standards lay down the Group's requirements regarding the traceability and sourcing of raw materials, and regarding production processes.

## 8.3 Climate risks fully integrated into the business strategy

At Kering, climate action is a key part of our strategy, and we focus on the two key aspects of (i) mitigation by reducing Group greenhouse gas (GHG) emissions and (ii) adaptation by ensuring that our business activities are resilient to the effects of climate change.

As regards mitigation in the value chain, Kering has a target of net zero emissions by 2050 (validated by the Science Based Target initiative in 2024), and is committed to reducing its GHG emissions according to a trajectory aligned with the aim of restricting global warming to 1.5°C. The Group will also neutralize residual emissions through their permanent removal, particularly through its support for regenerative farming. Outside of its value chain, Kering is committed to reducing and avoiding GHG emissions by supporting projects for the protection and conservation of nature.

Kering ensures the resilience and adaptation of its business activities to the effects of climate change by protecting its assets and strategic operations against physical and transition risks related to climate change, by analyzing and anticipating its effects and by implementing adaptation plans.

Kering also takes part in the transformation of its industry through partnerships and coalitions like the Fashion Pact and the Watch & Jewellery Initiative 2030.

All these measures form part of a policy of ongoing improvement, with the aim of stepping up its ambitions and aligning with best practices and scientific advances.

Finally, Kering follows the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and relied on the IPCC's two climate scenarios (RCP 2.6 and RCP 8.5) when mapping the Group's risks and opportunities. The Group's analysis was updated in 2024 using the most recent assumptions, and took into account nature-related risks as well as climate-related risks. The risks and opportunities that are most material for the Group are presented in section 2.1.2 of chapter 4, "Sustainability statements".

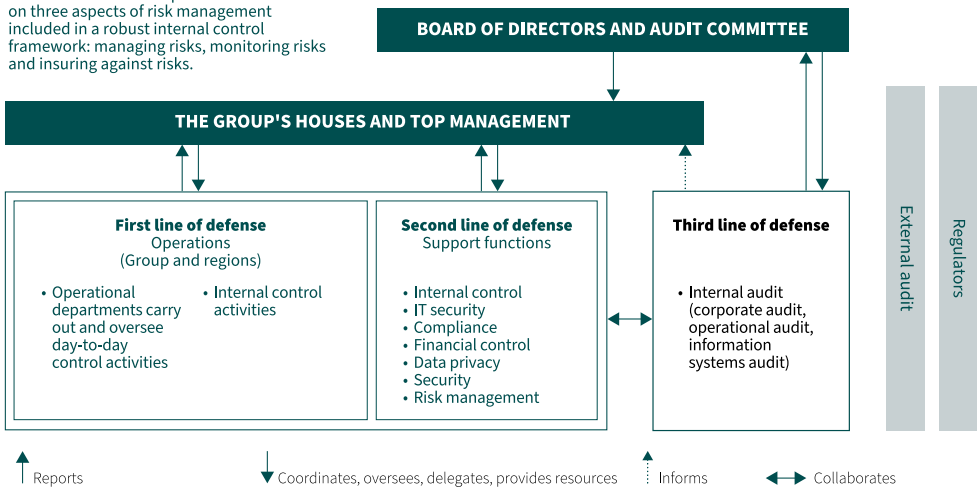
The Group plans to manage these climate-related risks and opportunities, anticipate their effects and ensure its resilience by adapting its business model, governance and decision-making processes, and its supply chain. The assessment, review and management of climate risk is an integral part of the Group's risk management (see Chapter 5 of this document).

# 9 - OUR APPROACH TO RISK MANAGEMENT

Kering's business environment is constantly changing and it is intrinsically exposed to various risks that, if they materialized, could adversely affect the Group's activities, financial results or reputation. The Group uses a continuous improvement approach, analyzing feedback and taking action accordingly to improve its business processes. In order to manage, anticipate and mitigate its risk exposure, and to ensure that it can develop its business sustainably over the long-term, the Group has set up a risk management system that involves three lines of defense.

**THE THREE LINES OF DEFENSE**

The "three lines of defense" model provides a clear definition of responsibilities based on three aspects of risk management included in a robust internal control framework: managing risks, monitoring risks and insuring against risks.




## First line of defense: day-to-day risk management

The first line of defense involves managing risk. All Kering employees manage risk in their day-to-day work, overseen by operational managers who are responsible for internal control measures and who must ensure that those measures reduce risk to an acceptable level.

Accordingly, the first line of defense must:

- identify, assess, control and mitigate risks by defining and implementing internal rules and procedures;
- take remedial action to address process and control failures;
- oversee the way in which teams apply and formalize controls in the Group's accounts closing and compliance systems.

## Second line of defense: day-to-day risk monitoring

The second line of defense consists of functions that measure and qualify risks, then ensure that they are properly covered.

Those functions must:

- develop risk management guidelines;
- identify known and emerging problems and deal with alerts relating to them, as well as changes in the way risks are regulated;
- issue directives and provide training in risk management procedures;
- facilitate monitoring regarding the implementation of effective risk procedures and controls devised by management;
- ensure that the Group's risk assessment approach is implemented at the process level by regional internal control officers;
- test control activities through self-assessments and peer reviews, and monitor the effectiveness of internal control using tools.

## Third line of defense: independent risk management

Internal audit is the third line of defense. It independently performs risk management operations. Internal audit periodically assesses the design and effectiveness of the first two lines of defense and helps improve the internal control system through its recommendations.

Accordingly, the third line of defense must:

- depending on the issue, check that the measures in place, including governance methods, comply with regulatory and statutory requirements;
- carry out audits by observing practices, speaking to staff members involved in audit activities and preparing audit reports;
- analyze and check the effectiveness of existing control and financial reporting procedures;
- define an annual internal audit plan with the Group's governance bodies (Board of Directors and Audit Committee).

# CHAPTER 2
# Activity report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# 1 - SIGNIFICANT EVENTS OF 2024

## Acquisition of strategic real estate assets in New York and Milan

In 2024, Kering acquired prestigious real estate assets in New York and Milan as part of its selective real estate strategy aimed at securing key highly desirable locations for its houses.

In New York City, the acquisition of the property located at 715-717 Fifth Avenue, totaling approximately 115,000 sq. ft, or 10,700 sq. m. for a price of $963 million (€885 million on the date of the announcement) was finalized on January 22, 2024.

In Milan, Kering acquired the company that owns the building located at 8 Via Monte Napoleone with a gross floorspace of approximately 127,000 sq. ft, or 11,800 sq. m. The acquisition was finalized on July 18, 2024, for a consideration of approximately €1.3 billion.

## Obtention of “Triple A” CDP score for Kering's climate commitments

On February 6, 2024, Kering became one of only 10 companies in the world to achieve a score of AAA following the Carbon Disclosure Project’s annual assessment, which covers more than 21,000 companies. Kering is the only company in the luxury sector to earn this distinction, confirming its leadership in terms of transparency and performance as regards the protection of the climate, forests, and water.

## Bond issues

As part of the Group’s active liquidity management, Kering carried out bond issues in 2024, enabling it to enhance its financial flexibility.

On March 5, 2024, Kering carried out a dual-tranche bond issue for a total of €1.75 billion, consisting of:

- a €1 billion tranche with an 8-year maturity and a 3.375% coupon;
- a €750 million tranche with a 12-year maturity and a 3.625% coupon.

On November 14, 2024, Kering carried out a single-tranche bond issue for a total of €750 million with a 10-year maturity and a 3.625% coupon.

The Group's long-term credit is rated “BBB+” with a stable outlook by Standard & Poor’s.

## Changes in the Executive Committee

On April 2, 2024, Kering appointed Mélanie Flouquet, Chief Strategy Officer, and Armelle Poulou, Chief Financial Officer, to the Group’s Executive Committee.

On June 6, 2024, Kering announced the appointment of Laurent Claquin as its Chief Brand Officer and a member of the Executive Committee, effective July 1, 2024.

## Changes in the Board of Directors

At the Annual General Meeting held on April 25, 2024, Kering's shareholders approved the appointment of three new directors: Rachel Duan, Giovanna Melandri, and Dominique D’Hinnin. They also ratified the cooption of Maureen Chiquet as Director and the renewal of Jean-Pierre Denis' term of office.

## Stefano Cantino appointed CEO of Gucci

On October 8, 2024, Kering announced the appointment of Stefano Cantino as CEO of Gucci, effective January 1, 2025, reporting to Francesca Bellettini, Kering Deputy CEO in charge of Brand Development. Stefano Cantino, who joined Gucci in May 2024 as Deputy CEO, is a member of Kering’s Executive Committee.

## Adoption of first-ever science-based targets for nature globally

During COP16 on October 30, 2024, Kering set and adopted science-based targets for land and freshwater, becoming the first company globally to adopt such targets.

These advance the Group’s commitment to biodiversity after participating in a year-long pilot with the Science Based Targets Network.

### Verification and approval of Kering's Net-Zero science-based targets by SBTi

On November 1, 2024, Kering took another significant step to strengthen its climate ambitions. The Group has set emission reduction targets across its value chain, both near and long term, in line with climate science and the Science Based Targets initiative (SBTi) net-zero criteria.

### Kering appoints new CEOs at Saint Laurent and Balenciaga

On November 18, 2024, Kering announced, the appointment of Cédric Charbit as CEO of Saint Laurent and Gianfranco Gianangeli as CEO of Balenciaga, effective January 2, 2025. Both report to Francesca Bellettini.

### Appointment of Louise Trotter as Creative Director of Bottega Veneta

On December 12, 2024, Kering announced the appointment of Louise Trotter as new Creative Director of Bottega Veneta, marking the opening of an exciting new chapter in the brand's creative journey. She joined the House in late January 2025.

## 2 - SUBSEQUENT EVENTS

### Signature of an agreement regarding prime real estate assets in Paris with Ardian

On January 15, 2024, as part of its selective real estate strategy, Kering signed a binding investment agreement with Ardian, a world-leading private investment house, pertaining to three highly prestigious real estate properties in Paris.

Kering will bring these assets into the newly created joint-venture. Ardian will own 60% of this unique property portfolio while Kering retains 40% of the ownership and will receive net proceeds of €837 million. The deal is expected to close in the first quarter of 2025, pending the fulfillment of customary conditions for real estate transactions.

### Kering and Simon announce the completion of the sale of "The Mall Luxury outlets"

On January 30, 2025, Kering and Simon® announced the finalization of the sale of 100% of The Mall Luxury Outlets entities held by Kering to Simon, the US real estate investment trust engaged in the ownership of premier shopping, dining, entertainment destinations.

The Mall, created in 2001, operates two luxury outlet destinations in Italy. For Kering, the divestment of this non-core asset will generate net proceeds of approximately €350 million.

Kering's brands will maintain a presence in these two very high-end shopping villages, the strategy implemented by Kering aiming at gradually concentrating its outlet distribution to a limited number of exclusive venues.

### Gucci ends its collaboration with Sabato de Sarno

Gucci announced on February 6, 2025, the end of its collaboration with Creative Director Sabato De Sarno. The Fall-Winter'25 fashion show in Milan on February 25 was presented by the Gucci design office.

## Events subsequent to the meeting of the Board of Directors which approved the Management report

### Demna appointed Artistic Director of Gucci

On March 13, 2025, Kering and Gucci announced the appointment of Demna as the House's new Artistic Director, starting early July 2025.

Demna, Artistic Director of Balenciaga since 2015, has redefined modern luxury, earning global recognition and cementing his authority on the industry.

# 3 - GROUP PERFORMANCE IN 2024

## 3.1 Revenue and income statement

### Condensed consolidated income statement

| *(In € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| Revenue | 17,194 | 19,566 | -12% |
| Recurring operating income | 2,554 | 4,746 | -46% |
| *% of revenue* | *14.9%* | *24.3%* | *-9.4 pts* |
| EBITDA | 4,667 | 6,569 | -29% |
| *% of revenue* | *27.1%* | *33.6%* | *-6.5 pts* |
| Other non-recurring operating income and expenses | (242) | (103) | -135% |
| Financial result | (614) | (410) | -50% |
| Income tax expense | (461) | (1,163) | +60% |
| Share in earnings (losses) of equity-accounted companies | (10) | 4 | N/A |
| Net income from continuing operations | 1,227 | 3,074 | -60% |
| *o/w attributable to the Group* | *1,133* | *2,983* | *-62%* |
| *o/w attributable to minority interests* | *94* | *91* | *+3%* |
| Net income (loss) from discontinued operations | – | – | N/A |
| Net income attributable to the Group | 1,133 | 2,983 | -62% |
| Net income from continuing operations (excluding non-recurring items) attributable to the Group | 1,310 | 3,061 | -57% |

### Earnings per share

| *(in €)* | 2024 | 2023 | Change |
|---|---|---|---|
| Basic earnings per share | 9.24 | 24.38 | -62% |
| Basic earnings per share from continuing operations excluding non-recurring items | 10.68 | 25.02 | -57% |

### Revenue

In 2024, the Group's revenue amounted to €17,194 million, down 12% as reported and down 12% on a comparable basis [(1)] compared to 2023.

Currency movements had a negative impact on performance in 2024, reducing reported sales growth by 1 point and sales in absolute terms by almost €238 million. The euro rose against the main Asian currencies, and the negative exchange-rate effect arose mainly from sales denominated in Japanese yen (€103 million), Chinese yuan (€54 million) and South Korean won (€48 million).

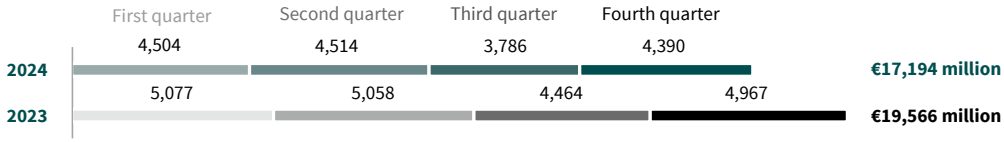
Changes in scope had a positive effect on Group revenue. That effect consisted mainly of the positive contribution made by Creed, which has been consolidated since November 1, 2023.

#### Group revenue by segment

| *(in € millions)* | 2024 | in % of total | 2023 | in % of total | Reported change | Comparable change[(1)] |
|---|---|---|---|---|---|---|
| Gucci | 7,650 | 44% | 9,873 | 51% | -23% | -21% |
| Yves Saint Laurent | 2,881 | 17% | 3,179 | 16% | -9% | -9% |
| Bottega Veneta | 1,713 | 10% | 1,645 | 8% | +4% | +6% |
| Other Houses | 3,221 | 19% | 3,514 | 18% | -8% | -7% |
| Kering Eyewear and Corporate | 1,941 | 11% | 1,568 | 8% | +24% | +8% |
| *Eliminations* | (212) | *-1%* | *(213)* | *-1%* | *N/A* | *N/A* |
| **Revenue** | **17,194** | **100%** | **19,566** | **100%** | **-12%** | **-12%** |

(1) On a comparable scope and exchange-rate basis. Comparable growth is defined on page 79.

## Group revenue by quarter




Year-on-year growth was negative in all four quarters of the year.

The luxury sector saw a slowdown in all regions, and combined with ongoing efforts to streamline distribution and the transition underway at Gucci, this resulted in reported sales falling 11% on a reported basis in both the first and second quarters. Japan was the only region seeing strong growth. Japanese sales were driven by tourists, particularly from China, attracted by the weakness of the yen against other Asian currencies.

Performance in the third quarter – when sales fell 16% on a comparable basis – was affected by the economic situation and consumer confidence weakening simultaneously across all regions, particularly in Asia-Pacific and more specifically China.

Sales in the fourth quarter (down 12% on a comparable basis) benefited from a slight improvement in North American demand.

Throughout the year, Group revenue suffered from lower sales in the wholesale and online channels, which were particularly affected by a return to normal in demand among aspirational customers.

### Quarterly revenue by segment

| *(in € millions)* | First quarter | Second quarter | Third quarter | Fourth quarter | 2024 |
|---|---|---|---|---|---|
| Gucci | 2,079 | 2,006 | 1,641 | 1,924 | 7,650 |
| Yves Saint Laurent | 740 | 701 | 670 | 770 | 2,881 |
| Bottega Veneta | 388 | 448 | 397 | 480 | 1,713 |
| Other Houses | 824 | 893 | 686 | 818 | 3,221 |
| Kering Eyewear and Corporate | 536 | 531 | 440 | 434 | 1,941 |
| *Eliminations* | *(63)* | *(65)* | *(48)* | *(36)* | *(212)* |
| **Revenue** | **4,504** | **4,514** | **3,786** | **4,390** | **17,194** |

| *(in € millions)* | First quarter | Second quarter | Third quarter | Fourth quarter | 2023 |
|---|---|---|---|---|---|
| Gucci | 2,616 | 2,512 | 2,217 | 2,528 | 9,873 |
| Yves Saint Laurent | 806 | 770 | 768 | 835 | 3,179 |
| Bottega Veneta | 395 | 438 | 381 | 431 | 1,645 |
| Other Houses | 890 | 966 | 805 | 853 | 3,514 |
| Kering Eyewear and Corporate | 433 | 436 | 333 | 366 | 1,568 |
| *Eliminations* | *(63)* | *(64)* | *(40)* | *(46)* | *(213)* |
| **Revenue** | **5,077** | **5,058** | **4,464** | **4,967** | **19,566** |

| *(comparable change[1])* | Q1 2024/2023 change | Q2 2024/2023 change | Q3 2024/2023 change | Q4 2024/2023 change | 2024/2023 change |
|---|---|---|---|---|---|
| Gucci | -18% | -19% | -25% | -24% | -21% |
| Yves Saint Laurent | -6% | -9% | -12% | -8% | -9% |
| Bottega Veneta | +2% | +4% | +5% | +12% | +6% |
| Other Houses | -6% | -5% | -14% | -4% | -7% |
| Kering Eyewear and Corporate | +9% | +5% | +7% | +10% | +8% |
| *Eliminations* | *N/A* | *N/A* | *N/A* | *N/A* | *N/A* |
| **Revenue** | **-10%** | **-11%** | **-16%** | **-12%** | **-12%** |

(1) On a comparable scope and exchange rate basis. Comparable revenue growth is defined on page 79.

## Group revenue by region

| *(in € millions)* | 2024 | as a % of total | 2023 | as a % of total | Reported change | Comparable change[1] |
|---|---|---|---|---|---|---|
| Asia-Pacific (excluding Japan) | 5,222 | 30% | 6,848 | 35% | -24% | -23% |
| Western Europe | 4,995 | 29% | 5,405 | 28% | -8% | -9% |
| North America | 4,095 | 24% | 4,500 | 23% | -9% | -11% |
| Japan | 1,423 | 8% | 1,400 | 7% | +2% | +9% |
| Rest of the world | 1,459 | 9% | 1,413 | 7% | +3% | +3% |
| TOTAL | 17,194 | 100% | 19,566 | 100% | -12% | -12% |

(1) On a comparable scope and exchange rate basis. Comparable revenue growth is defined on page 79.
Revenue generated outside the eurozone represented 77% of the consolidated total in 2024.

The Group's sales grew most strongly in Japan, where they rose 9% on a comparable basis. This very good performance resulted from large numbers of tourists from the rest of Asia visiting Japan, attracted by the weak yen.

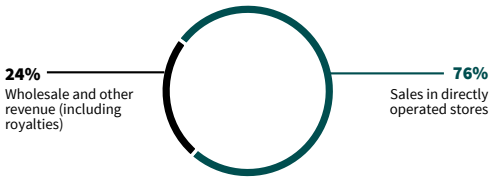
In the rest of Asia-Pacific, meanwhile, sales slowed sharply after rising rapidly in 2023. Lower local demand, particularly in Greater China, led to a steep drop in store footfall. In addition, tourists from those countries made some of their purchases in Japan instead of at home. Overall, therefore, the proportion of Group sales coming from Asia-Pacific fell 5 points to 30%.

In Western Europe, Kering's sales suffered as local demand and tourist numbers returned to more normal levels. Performance was stronger in Southern European countries than in their Northern neighbors. In addition, the Group's ongoing strategy of taking a more exclusive approach to wholesale distribution adversely affected the region's overall performance, with sales down 9% on a comparable basis.

Revenue in North America fell 11% on a comparable basis compared to 2023. The region's performance was affected by lower local demand: economic conditions remained unfavorable, leading to lower store footfall. However, very wealthy customers continued to drive sales in the most exclusive segments and revenue remained around 35% higher than in 2019.

The Group's sales in the rest of the world rose by 3%, driven in particular by the Gulf countries.

## Group revenue by distribution channel




*Percentages based on revenue before Eliminations*

Sales from directly operated and online stores came in at €13,248 million in 2024, down 13% on a comparable basis relative to 2023. The previous comments regarding performance by region also apply to the trend in retail sales.

Store footfall was lower than in 2023, although the various regions saw significantly different trajectories, with the steepest decline coming from Asia-Pacific. Lower footfall was accompanied by a slight decline in the conversion rate (i.e. the number of people buying products as a percentage of the total number of people visiting stores). However, excluding online sales, the average selling price increased, although trends varied between houses. Sales at physical stores managed by the houses (down 12% on a comparable basis) were less affected than online sales, whose proportion of retail sales fell to around 11% (as opposed to 12% in 2023). The decline in the online channel was due to its overexposure to certain product categories and to customers who are more impacted by the macroeconomic context of ongoing high inflation and interest rates.

Revenue from physical and online stores directly operated by the Group accounted for around 76% of the Group's total sales (before Eliminations). Excluding Kering Eyewear and Kering Beauté, however, the figure was 85%, similar to 2023. This proportion has increased in recent years because of the long-term strategy implemented by all houses, which is aimed at controlling their distribution – including online sales – more tightly, and making them more exclusive.

Wholesale revenue fell 11% year-on-year in 2023 on a comparable basis (before Eliminations). For the houses, wholesale revenue fell significantly, by 22% on a comparable basis. This reflects a reduction in orders placed by US distributors and the reorganization of the wholesale distribution network that is currently underway, resulting in sales being concentrated among the best-positioned distributors. On the plus side, Kering Eyewear, which has a wholesale-only distribution model, and Kering Beauté posted wholesale revenue growth of 6% on a comparable basis. Kering Eyewear was buoyed by both the development of existing licenses and the successful integration of Lindberg and Maui Jim. Sales at Kering Beauté, meanwhile, were boosted by developments at Creed.

The houses' royalty revenue from licenses and other revenue rose by 13% on a comparable basis in 2024, due to very robust growth in the Eyewear and Fragrances & Cosmetics categories, and from rental revenue arising from real estate purchases.

## Recurring operating income

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| Gucci | 1,605 | 3,264 | -51% |
| Yves Saint Laurent | 593 | 969 | -39% |
| Bottega Veneta | 255 | 312 | -18% |
| Other Houses | (9) | 212 | N/A |
| Kering Eyewear and Corporate | 112 | (7) | N/A |
| *Eliminations* | *(2)* | *(4)* | *N/A* |
| **Recurring operating income**[1] | **2,554** | **4,746** | **-46%** |

(1) Recurring operating income is defined on page 79.

The Group's recurring operating income amounted to €2,554 million in 2024, down €2,192 million or 46% compared to 2023.

Recurring operating margin fell 9.4 points to 14.9% because of a particularly high level of negative operating leverage resulting from lower revenue.

Gross margin was €12,681 million, a decrease of 15%. As a proportion of revenue, gross margin was 73.8%, down 2.5 points relative to 2023, due to adverse developments in the product and geographical mix. The decrease also resulted from a faster decline in leather goods sales and in revenue generated in China. In addition, the combination of currency effects and currency hedging results was less favorable than in 2023.

Operating expenses fell by 1%. While brand investments continued, with increased expenditure on stores, product creation, development of collections and communications, there were also major efforts to limit operational costs.

Those investments by brands, driven by the competitive environment and the Group's long-term ambitions for its houses, independent of short-term trends, are affecting their profitability against a background of falling sales. Gucci, Balenciaga and Alexander McQueen were the houses where profit fell most.

Kering Eyewear and Kering Beauté continued to develop their brand portfolios while making a significant contribution to the Group's recurring operating income.

## EBITDA

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| **Recurring operating income** | **2,554** | **4,746** | **-46%** |
| Net recurring charges to depreciation, amortization and provisions on non-current operating assets | 2,113 | 1,823 | +16% |
| *o/w depreciation of lease right-of-use assets* | *1,133* | *985* | *+15%* |
| **EBITDA**[1] | **4,667** | **6,569** | **-29%** |

(1) EBITDA is defined on page 80.

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| Gucci | 2,403 | 3,999 | -40% |
| Yves Saint Laurent | 921 | 1,219 | -24% |
| Bottega Veneta | 463 | 494 | -6% |
| Other Houses | 426 | 585 | -27% |
| Kering Eyewear and Corporate | 456 | 276 | +65% |
| *Eliminations* | *(2)* | *(4)* | *N/A* |
| **EBITDA** | **4,667** | **6,569** | **-29%** |

EBITDA for 2024 amounted to €4,667 million versus €6,569 million in 2023. EBITDA margin was 27.1%, less than the 2023 figure of 33.6%.

## Other non-recurring operating income and expenses

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| Impairment of goodwill, brands and other non-current assets | (111) | (70) | -58% |
| Other | (131) | (33) | N/A |
| **Other non-recurring operating income and expenses** | **(242)** | **(103)** | **-135%** |

*(See Consolidated financial statements, Note 7 – Other non-recurring operating income and expenses.)*

## *Financial result*

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| Cost of net debt[1] | (320) | (108) | -196% |
| Other financial income and expenses | (89) | (151) | +41% |
| **Financial result excluding leases** | **(409)** | **(259)** | **-58%** |
| Interest expense on lease liabilities | (205) | (151) | -36% |
| **Financial result** | **(614)** | **(410)** | **-50%** |

(1) Net debt is defined on page 80.

In 2024, the cost of net debt was €320 million (€108 million in 2023). The increase mainly arose from the increase in outstanding bond debt in 2023 and 2024.

Other financial income and expense produced a net expense of €89 million in 2024 (€151 million in 2023). The €62 million decrease was mainly due to lower exchange-rate effects.

*(See Consolidated financial statements, Note 8 – Financial result.)*

## Income tax

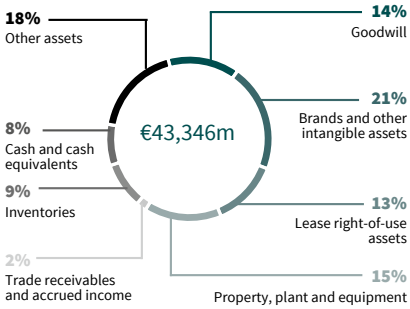
| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Income before tax | 1,698 | 4,233 |
| Income tax expense | (461) | (1,163) |
| **Effective tax rate** | **27.1%** | **27.5%** |
| Other non-recurring operating income and expenses | (242) | (103) |
| Recurring income before tax | 1,940 | 4,336 |
| Income tax on other non-recurring operating income and expenses | 65 | 25 |
| Tax expense on recurring income | (526) | (1,188) |
| **Effective tax rate on recurring income[1]** | **27.1%** | **27.4%** |

(1) The effective tax rate on recurring income is defined on page 80.

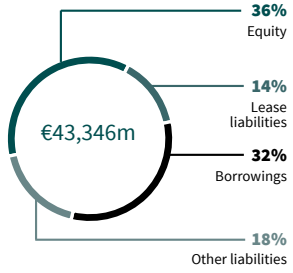
*(See Consolidated financial statements, Note 9 – Income taxes.)*

## 3.2 Balance sheet as of December 31, 2024

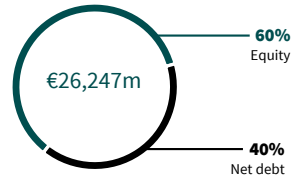
**Assets**




**Equity and liabilities**




**Capital employed**




### Condensed balance sheet

| *(In € millions)* | Dec. 31, 2024 | Dec. 31, 2023 | Change |
|---|---|---|---|
| Goodwill | 6,277 | 7,112 | -12% |
| Brands and other intangible assets | 9,287 | 8,178 | +14% |
| Lease right-of-use assets | 5,615 | 4,984 | +13% |
| Property, plant and equipment | 6,537 | 5,341 | +22% |
| Investments in equity-accounted companies | 1,762 | 1,750 | +1% |
| Other non-current assets | 2,170 | 2,072 | +5% |
| **Non-current assets** | **31,648** | **29,437** | **+8%** |
| Inventories | 3,992 | 4,550 | -12% |
| Trade receivables and accrued income | 1,003 | 1,151 | -13% |
| Cash and cash equivalents | 3,518 | 3,922 | -10% |
| Other current assets | 2,110 | 2,307 | -9% |
| **Current assets** | **10,623** | **11,930** | **-11%** |
| **Assets held for sale** | **1,075** | **–** | **N/A** |
| TOTAL ASSETS | 43,346 | 41,367 | +5% |
| | | | |
| Equity attributable to the Group | 14,904 | 15,212 | -2% |
| Equity attributable to minority interests | 826 | 798 | +4% |
| **Total equity** | **15,730** | **16,010** | **-2%** |
| Non-current borrowings | 10,556 | 10,026 | +5% |
| Non-current lease liabilities | 5,056 | 4,511 | +12% |
| Other non-current liabilities | 2,412 | 2,189 | +10% |
| **Non-current liabilities** | **18,024** | **16,726** | **+8%** |
| Current borrowings | 3,479 | 2,400 | +45% |
| Current lease liabilities | 1,051 | 884 | +19% |
| Other current liabilities | 5,062 | 5,347 | -5% |
| **Current liabilities** | **9,592** | **8,631** | **+11%** |
| **Liabilities associated with assets held for sale** | **–** | **–** | **–** |
| TOTAL EQUITY AND LIABILITIES | 43,346 | 41,367 | +5% |

## Net debt

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 | Change |
|---|---|---|---|
| Borrowings | 14,035 | 12,426 | +13% |
| Cash and cash equivalents | (3,518) | (3,922) | -10% |
| **Net debt** | **10,517** | **8,504** | **+24%** |

## Capital employed

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 | Change |
|---|---|---|---|
| Total equity | 15,730 | 16,010 | -2% |
| Net debt | 10,517 | 8,504 | +24% |
| **Capital employed** | **26,247** | **24,514** | **+7%** |

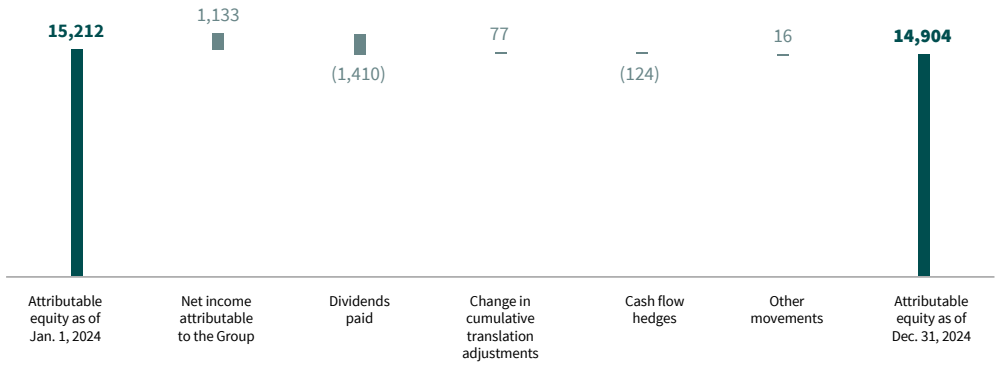
## Goodwill and brands

As of December 31, 2024, the carrying amount of brands net of deferred tax liabilities amounted to €6,561 million, compared to €5,527 million as of December 31, 2023.

## Current operating assets (liabilities), net

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 | Statement of cash flows | Foreign exchange differences | Other movements |
|---|---|---|---|---|---|
| Inventories | 3,992 | 4,550 | (568) | 20 | (10) |
| Trade receivables and accrued income | 1,003 | 1,151 | (165) | 5 | 12 |
| Trade payables and accrued expenses | (2,098) | (2,200) | 113 | (17) | 6 |
| Other current assets (liabilities), net | (501) | (442) | 65 | (80) | (44) |
| Net current tax receivables (payables) | 152 | 229 | (71) | 6 | (12) |
| **Current operating assets (liabilities), net** | **2,548** | **3,288** | **(626)** | **(66)** | **(48)** |

## Change in equity attributable to the Group




As of December 31, 2024, the share capital amounted to €493,683,112. It comprised 123,420,778 fully paid-up shares with a par value of €4 each, unchanged from 31 December 2023. Excluding the 819,085 Kering treasury shares, there were 122,601,693 shares issued and outstanding.

*(See Consolidated financial statements, Note 19 – Equity.)*

# 3.3 Cash flow, investments and net debt

## Free cash flow from operations

### Cash flow received from operating activities

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| **Cash flow received from operating activities before tax, dividends and interest** | **4,480** | **6,289** | **-29%** |
| Change in working capital requirement | 667 | (396) | N/A |
| Income tax paid | (438) | (1,434) | +69% |
| **Net cash received from operating activities** | **4,709** | **4,459** | **+6%** |

### Operating investments

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| **Net cash received from operating activities** | **4,709** | **4,459** | **+6%** |
| Acquisitions of property, plant and equipment and intangible assets | (3,309) | (2,611) | -27% |
| Disposals of property, plant and equipment and intangible assets | 32 | 135 | -76% |
| **Free cash flow from operations[1]** | **1,432** | **1,983** | **-28%** |

(1) Free cash flow from operations is defined on page 80.

### Gross operating investments by segment

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| Gucci | 293 | 435 | -33% |
| Yves Saint Laurent | 211 | 186 | +13% |
| Bottega Veneta | 112 | 105 | +7% |
| Other Houses | 194 | 247 | -22% |
| Kering Eyewear and Corporate | 2,499 | 1,638 | N/A |
| **Acquisitions of property, plant and equipment and intangible assets** | **3,309** | **2,611** | **+27%** |

Operating investments amounted to €3,309 million in 2024, an increase of €698 million relative to 2023. They include the acquisition of real estate assets in New York and Milan for €2,201 million.

Excluding the acquisition of real estate assets, operating investments totaled €1,108 million, representing 6.4% of revenue and are down 10% relative to 2023. The following analysis is based on this perimeter.

Seasonal variations in investments are similar from one year to the next, with a greater proportion of investments taking place in the second half, albeit a slightly lower proportion in 2024 than in 2023.

Investments in 2024 related mainly to store openings and refurbishments, as well as logistics infrastructure and IT systems most of which are managed by Corporate on behalf of the Group's brands.

In 2024, 58% of the Group's gross operating investments related to the retail network (56%[2] in 2023). 53% of the investments in stores concerned store opening programs and 47% concerned conversion and refurbishment projects.

The Kering Eyewear and Corporate segment accounted for 27% of the total, up from 21% in 2023, as a result of investments by Kering Eyewear and Kering Beauté (including the inclusion of Creed for the full year in 2024) and in information systems.

## Available cash flow from operations and available cash flow

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| **Free cash flow from operations** | **1,432** | **1,983** | **-28%** |
| Repayment of lease liabilities | (1,049) | (880) | -19% |
| Interest paid on leases | (205) | (151) | -36% |
| **Available cash flow from operations[1]** | **178** | **953** | **-81%** |
| Interest and dividends received | 70 | 76 | -8% |
| Interest paid and equivalent (excluding leases) | (404) | (226) | -79% |
| **Available cash flow[1]** | **(156)** | **802** | **-119%** |

(1) Available cash flow from operations and available cash flow are defined on page 80.

(2) These ratios are calculated on the basis of gross operating capital expenditure, rather than cash outflow.

## Dividends paid

The cash dividend paid by Kering SA to its own shareholders in 2024 amounted to €1,716 million, including the €552 million interim dividend paid on January 17, 2024 (€1,712 million in 2023 including a €550 million interim dividend).

Dividends paid in 2024 also included €24 million paid to minority interests in consolidated subsidiaries (€42 million in 2023).

## Changes in net debt

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| **Net debt as of January 1** | **8,504** | **2,306** | **N/A** |
| Free cash flow from operations | (1,432) | (1,983) | +28% |
| Dividends paid | 1,740 | 1,754 | -1% |
| Net interest paid and dividends received | 334 | 150 | +122% |
| Acquisitions of Kering shares | (2) | 10 | -123% |
| Repayment of lease liabilities[(1)] | 1,253 | 1,030 | +22% |
| Other acquisitions and disposals | 47 | 5,158 | -99% |
| Other movements | 73 | 79 | -7% |
| **Net debt as of December 31** | **10,517** | **8,504** | **+24%** |

(1) Comprising repayments of principal for €1,049 million in 2024 (€880 million in 2023) and interest payments of €205 million in 2024 (€151 million in 2023) relating to capitalized fixed lease payments.

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 | Change |
|---|---|---|---|
| Bonds | 11,840 | 9,795 | +21% |
| Other bank borrowings | 138 | 134 | +3% |
| Commercial paper | 854 | 1,277 | -33% |
| Other borrowings | 1,203 | 1,219 | -1% |
| *o/w put options granted to minority interests* | *704* | *711* | *-1%* |
| **Borrowings** | **14,035** | **12,426** | **+13%** |
| Cash and cash equivalents | (3,518) | (3,922) | -10% |
| **Net debt[(1)]** | **10,517** | **8,504** | **+24%** |

(1) Net debt is defined on page 80.

Lease liabilities totaled €6,107 million as of December 31, 2024 (€5,395 million as of December 31, 2023).

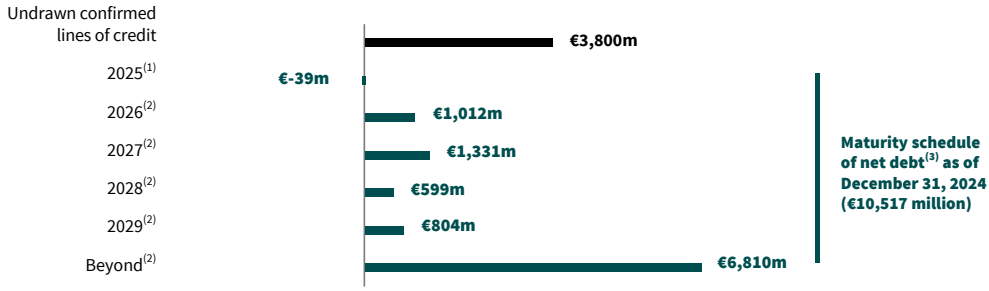
### Solvency

The Group has a sound financial position and has a Standard & Poor's long-term credit rating of BBB+ with stable outlook.

### Liquidity

As of December 31, 2024, the Group's cash and cash equivalents amounted to €3,518 million (€3,922 million at December 31, 2023). The Group has confirmed lines of credit totaling €3,800 million (€3,185 million as of December 31, 2023).

## Maturity schedule of net debt




(1) Borrowings less cash and cash equivalents.
(2) Borrowings.
(3) Net debt is defined on page 80.

The amount of borrowings with a maturity less than one year (€3,479 million as of December 31, 2024) was less than the Group's cash and cash equivalents (€3,518 million as of December 31, 2024).

The Group's loan agreements and lines of credit feature standard pari passu, cross default and negative pledge clauses.

The Group's financing agreements do not include any rating trigger clauses.

*(See Consolidated financial statements, Note 20 – Net debt.)*

# 4 - OPERATING PERFORMANCE BY SEGMENT

## 4.1 Gucci

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| **Revenue** | **7,650** | **9,873** | **-23%** |
| **Recurring operating income** | **1,605** | **3,264** | **-51%** |
| ***% of revenue*** | ***21.0%*** | ***33.1%*** | ***-12.1 pts*** |
| EBITDA | 2,403 | 3,999 | -40% |
| *% of revenue* | *31.4%* | *40.5%* | *-9.1 pts* |
| Acquisitions of property, plant and equipment and intangible assets | 293 | 435 | -33% |
| Average FTE headcount | 20,032 | 21,086 | -5% |

### Revenue

Gucci posted revenue of €7,650 million in 2024, down 23% year-on-year as reported and down 21% at comparable exchange rates.

### Revenue by distribution channel

Sales from directly operated stores made up 91% of its total sales in 2024, the same as in 2023.

Sales from physical and online stores controlled by the House were down 21% on a comparable basis relative to 2023. Revenue fell significantly in both halves of the year as demand for luxury goods returned to more normal levels, particularly among local customers, and as a result of Gucci's ongoing transition, with new collections being gradually rolled out during the year while permanent collections became less appealing.

The main reason for the decline in physical store sales in 2024 was lower footfall, which led to weaker volumes. The success of iconic Gucci pieces and new products launched as part of the brand elevation strategy failed to offset adverse developments in the geographical mix (with China making up a smaller proportion of total sales) and in the product mix.

Revenue from online stores fell sharply in 2024 on a comparable basis because of this distribution channel's exposure to the American market (where it accounts for almost half of sales) and to customers with lower purchasing power, who are more affected by deteriorating macroeconomic conditions. As a result, sales from online stores accounted for around 11% of total retail revenue in 2024.

Difficulties encountered by wholesalers in the United States and China, combined with the gradual build-up of revenue from new collections, led to a 28% decrease in wholesale revenue (at comparable exchange rates) relative to 2023.

### Revenue by region

In view of the proportion of Gucci's sales generated by directly operated stores, the following revenue analysis by region only concerns sales in its own physical and online stores, on a comparable basis.

In Western Europe, sales fell by 17% on a comparable basis, and the decline was broadly similar across the four quarters of the year, although the trend worsened in the third quarter and saw a slight sequential improvement in the fourth. The drop in sales resulted from weaker demand among local customers and tourists, although the proportion of sales made to tourists gradually rose during the year thanks to visitors from the United States.

In North America, Gucci's revenue was down 18% on a comparable basis, with trends in the second half being similar to those seen in the first, although the fourth quarter showed signs of a sequential acceleration.

Sales were down 32% on a comparable basis in Asia-Pacific, with a sharper decline in the third quarter. The fall in sales resulted particularly from a decline in weaker local demand in China against a backdrop of lower consumer confidence caused by weak macroeconomic conditions and ongoing difficulties in the real estate sector and in youth employment. The resumption of inter-regional tourism led to a sharp increase in sales to Chinese tourists in Japan. Demand also fell in South Korea as some local consumers bought products in other countries, particularly Japan, and because of weaker local demand.

In Japan, the rebound in tourist numbers, driven in particular by attractive exchange rates, gave a major boost to sales in the first half of the year, although the second half was less good because of the stronger yen. In 2024 as a whole, sales were stable after rising 26% on a comparable basis in 2023.

In the Rest of the world, revenue was 5% lower than in 2023.

### Revenue by product category

In 2024, sales of most Gucci product categories in directly operated stores were lower compared to 2023.

In the second half, sales of leather goods were boosted by the launch of new lines and the success of iconic pieces like *Jackie*, although that did not offset weak sales of permanent collections.

Categories featuring entry-level products, such as small leather goods, a part of shoes offer and belts, were affected by normalizing demand in this segment.

The ready-to-wear category was more resilient, supported by the introduction of Gucci's new aesthetic in the first half.

Royalty revenue increased compared to 2023. The eyewear category, managed by Kering Eyewear, continued to see sales growth, while the fragrances and cosmetics category, managed by Coty under license, saw a slight decline in sales.

## Recurring operating income

Gucci's recurring operating income amounted to €1,605 million in 2024, down €1,659 million year-on-year.

Recurring operating margin was 21%, down 12.1 points.

Recurring operating margin was adversely affected by developments in the product and geographical mix – with leather goods and China accounting for a smaller proportion of total sales – as well as by inventory reduction efforts and a less positive impact from currency effects and hedging than in 2023.

Gucci continued to invest in initiatives to boost its long-term growth, while working to optimize its cost base. Despite the significant decrease in operational costs, the steep decline in sales led to negative operating leverage (i.e. expenses rose more quickly than revenue), and this had a significant adverse impact on margins.

Gucci generated EBITDA of €2,403 million in 2024, a decrease of €1,596 million relative to 2023 and representing an EBITDA margin of 31.4%.

## Store network and operating investments

As of December 31, 2024, Gucci operated 529 stores directly. During the year, Gucci closed nine stores (net of openings) in Asia, Japan, Eastern Europe and the Middle East.

The House therefore continued to prioritize optimizing its store network in support of its brand elevation strategy, increasing its visibility in the best locations and giving customers an exclusive experience, while withdrawing from less productive locations.

Gucci's operating investments amounted to €293 million in 2023, down €142 million compared to 2023, as the House focused on high-impact projects. As a proportion of revenue, they equaled 3.8%.

## 4.2 Yves Saint Laurent

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| **Revenue** | **2,881** | **3,179** | **-9%** |
| **Recurring operating income** | **593** | **969** | **-39%** |
| ***% of revenue*** | ***20.6%*** | ***30.5%*** | ***-9.9 pts*** |
| EBITDA | 921 | 1,219 | -24% |
| *% of revenue* | *31.9%* | *38.3%* | *-6.4 pts* |
| Acquisitions of property, plant and equipment and intangible assets | 211 | 186 | +13% |
| Average FTE headcount | 5,297 | 5,112 | +4% |

### Revenue

In 2024, Yves Saint Laurent's revenue amounted to €2,881 million, down 9% year-on-year both as reported and at comparable exchange rates.

With a sharp decline in customer traffic in most regions, particularly in Asia-Pacific, the House continued to pursue its strategy, consisting of building up its exclusive clientele while remaining attractive to other customers.

### Revenue by distribution channel

Sales from physical and online stores controlled by the House accounted for 82% of the total, an increase of 1 point relative to 2023. Business levels suffered throughout the year from weaker demand, which resulted from adverse macroeconomic conditions and a fall in consumer confidence. Lower sales to Chinese customers, in Greater China in the first half and in other countries as well in the second, accounted for most of the decline in sales.

Yves Saint Laurent continued the successful deployment of its brand elevation strategy, and so average spend remained resilient. Online sales fell as the House reduced the number of its e-concessions.

Wholesale revenue was down 25% at constant exchange rates compared to 2023. This was due to the ongoing effort to streamline distribution, focusing on a small number of partners, and a macroeconomic environment that was less helpful for wholesalers, particularly in North America.

### Revenue by region

In view of the proportion of Yves Saint Laurent's sales generated by directly operated stores, the following revenue analysis by region only concerns sales in its own physical and online stores.

In 2024, Yves Saint Laurent's revenue performance compared to 2023 has varied significantly across regions.

In Western Europe, sales fell 3% on a comparable basis, due in particular to weaker local demand, although sales to tourists held up well.

In North America, revenue fell 7% on a comparable basis due to macroeconomic conditions, which seriously affected aspirational customers. Trends in store traffic and sales improved in the fourth quarter.

In Asia-Pacific, after rapid growth in 2023, sales fell 21% on a comparable basis, mainly because of weak local demand in China.

In Japan, sales were up 19% on a comparable basis in 2024 due to strong growth in the number of tourists visiting from China and Southeast Asia, attracted by the pricing differential arising from the favorable exchange rate.

Yves Saint Laurent's performance in the Rest of the world was solid, with growth of 7%, and particularly in the Middle East, which has historically been an important market for the brand.

### Revenue by product category

Leather goods remained the top category, with sales growth compared to 2023 closely aligned with the House's overall performance. Over the past few years, Yves Saint Laurent has been committed to constantly renewing and refreshing its leather goods offering, which allows the House to attract new customers and retain existing ones in all its markets. In 2024, the House ramped up new product launches to offset lower demand for its permanent collections.

Sales were more resilient in women's ready-to-wear and shoes collections than in menswear collections. In terms of merchandizing, the product range for men is being expanded to make it more relevant in all markets.

Royalty revenue generated by Kering Eyewear surged, again showing the success of this licensing agreement. Royalties paid by L'Oréal in the fragrances and cosmetics category also rose very sharply.

## Recurring operating income

In 2024, Yves Saint Laurent's recurring operating income totaled €593 million, down 39% compared to 2023.

Recurring operating margin was 20.6%, down 9.9 points.

As previously outlined, recurring operating margin was affected by adverse developments in the product and geographical mix, inventory reduction efforts and a less positive impact from currency effects and hedging than in 2023.

The House also continued to invest in initiatives to support its long-term growth. The expansion of the store network led to a slight increase in the cost base, which was not offset by sales growth. This led to negative operating leverage, which weighed heavily on operating margin.

In 2024, EBITDA totaled €921 million, down €298 million year-on-year. EBITDA margin was 31.9% as opposed to 38.3% in 2023.

## Store network and operating investments

As of December 31, 2024, the House had 318 directly operated stores. A net 10 new stores were added in 2024 in Yves Saint Laurent's main markets. In particular, the House opened a store in Meatpacking District in New York and reopened its store in Design District in Miami, adopting the new store concept first unveiled at the Champs-Élysées store in Paris. Many existing stores were refurbished, relocated and extended.

This resulted in a high level of operating investments, which amounted to €211 million, up €25 million relative to 2023. As a proportion of revenue, they equaled 7.3%.

## 4.3 Bottega Veneta

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| **Revenue** | **1,713** | **1,645** | **+4%** |
| **Recurring operating income** | **255** | **312** | **-18%** |
| ***% of revenue*** | ***14.9%*** | ***19.0%*** | ***-4.1 pts*** |
| EBITDA | 463 | 494 | -6% |
| *% of revenue* | *27.0%* | *30.0%* | *-3.0 pts* |
| Acquisitions of property, plant and equipment and intangible assets | 112 | 105 | +7% |
| Average FTE headcount | 4,034 | 3,891 | +4% |

### Revenue

In 2024, Bottega Veneta's revenue amounted to €1,713 million, up 4% as reported or up 6% on a comparable basis compared to 2023. The House is successfully implementing its brand elevation strategy and is increasing in popularity among the wealthiest customers.

### Revenue by distribution channel

In keeping with its exclusive, high-end positioning, the House is focusing on selling its products through its own directly operated physical and online stores, which accounted for 85% of its revenue in 2024 (82% in 2023).

Bottega Veneta's sales in directly operated physical and online stores rose by 10% on a comparable basis, although there were wide regional variations. Growth was very strong in Europe, the Middle East and North America. It was driven by expansion in the customer base, particularly the most exclusive segment, by a higher conversion rate in stores, and by an increase in the average selling price because of the success of the House's collections, particularly handbags. Online sales were excellent, supported by the House's omnichannel strategy.

Wholesale revenue was down 15% on a comparable basis, as expected. Bottega Veneta continued to reorganize this distribution channel, with the aim of working only with a limited number of selected partners.

### Revenue by region

Given the proportion of Bottega Veneta's sales that are generated in directly operated stores, the following revenue analysis by region only concerns sales in its own physical and online stores.

In Western Europe, revenue rose by 24% on a comparable basis. Revenue grew consistently throughout the year, and was very strong in the fourth quarter.

In Japan, revenue rose by 2% at constant exchange rates relative to 2023: the House saw only a moderate boost from higher tourist numbers because it is less well known among Chinese customers.

In North America, Bottega Veneta's sales rose by 25% on a comparable basis relative to 2023, showing its great appeal among American customers, with a sharp increase in customer traffic combined with a higher average price.

In Asia-Pacific, the House's sales fell by 7% due to a strong decrease in customer traffic in Greater China, although there were increases in the conversion rate in stores and in the average price. Business levels in South Korea and the rest of Southeast Asia were stable.

Revenue in the Rest of the world jumped by 43% on a comparable basis, supported by very strong momentum in the Middle East.

### Revenue by product category

Leather goods remain the core business of Bottega Veneta (79% of total sales). This category experienced remarkable success, driven by the popularity of the *Andiamo* line and the introduction of numerous new products.

The House's jewelry offer confirmed its strong appreciation among customers this year.

The sales momentum of the shoes and ready-to-wear categories was comparatively less sustained.

## Recurring operating income

Bottega Veneta's recurring operating income for 2024 totaled €255 million, down 18% compared to 2023.

Recurring operating margin was 14.9%, 4.1 points less than in 2023, despite higher sales. The decrease in margin resulted from investment efforts, particularly in communications and the store network, aimed at supporting the House's strong momentum, and from the ongoing streamlining of its wholesale distribution network.

EBITDA amounted to €463 million in 2024, equal to 27% of revenue.

## Store network and operating investments

As of December 31, 2024, Bottega Veneta had 307 directly operated stores. There were 19 net store openings in the House's main markets during the year.

In line with its brand strategy, the House opened two invitation-only spaces dedicated to its most exclusive customers, one in the Palazzo Soranzo Van Axel in Venice and one on Madison Avenue in New York.

Operating investments totaled €112 million, up 7% compared to 2023. However, they remained broadly stable as a percentage of the House's turnover (around 6.5%).

## 4.4 Other Houses

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| **Revenue** | **3,221** | **3,514** | **-8%** |
| **Recurring operating income** | **(9)** | **212** | **N/A** |
| ***% of revenue*** | ***N/A*** | ***6.0%*** | ***N/A*** |
| EBITDA | 426 | 585 | -27% |
| *% of revenue* | *13.2%* | *16.7%* | *-3.5 pts* |
| Acquisitions of property, plant and equipment and intangible assets | 194 | 247 | -22% |
| Average FTE headcount | 9,242 | 9,020 | +3% |

### Revenue

In 2024, revenue from the Other Houses fell by 8% as reported and by 7% on a comparable basis.

There were mixed performances across the segment:

- Balenciaga's performance varied between categories and distribution channels. After its sales in physical and online stores were roughly stable in the first half, the House suffered in the second from lower demand in all regions except Japan. Balenciaga also continued its strategy of reducing its number of wholesalers while macroeconomic conditions were also less helpful for the wholesale channel;
- Alexander McQueen had a transitional year and saw customer numbers fall sharply in all geographies, leading to lower sales in both physical and online stores and lower wholesale revenue across all categories;
- After a good year in 2023, revenue at Brioni continued to rise;
- Revenue grew at the jewelry houses:
  - Boucheron confirmed its potential with further strong sales growth in 2024,
  - The revenue growth of the Group formed by Pomellato and DoDo is more moderate,
  - Qeelin saw a decline in sales, affected by the deterioration in the Chinese market.

### Revenue by distribution channel

Revenue from the Other Houses' directly operated physical and online stores fell 4% on a comparable basis relative to 2023. This includes a decline in revenue among couture brands, except Brioni, as demand returned to more normal levels, as well as an increase in the revenues of jewelry houses, driven by store networks quality improvement.

Online sales fell and held back the segment's overall performance. However, the proportion of total revenue coming from online sales varied between houses, showing close correlation with the maturity of each house's online stores and product range.

Wholesale revenue was down 17% on a comparable basis. In accordance with the Group's strategy, the Other Houses – primarily Balenciaga and Alexander McQueen – are focusing their wholesale businesses on a limited number of top-quality partners. Performance was also affected by a decline in orders from distributors in Western Europe and North America.

### Revenue by region

The Other Houses' regional performances followed similar trends to those described above, with sales falling in all regions except Japan.

Local consumer spending was relatively anemic and weak growth in tourist numbers in the second half of the year dragged down the Other Houses' sales growth in Western Europe, with the notable exception of Boucheron. The Other Houses' total revenue in Western Europe fell by 14% on a comparable basis.

Revenue grew 27% on a comparable basis in Japan, boosted by the sharp upturn in the number of tourists traveling within Asia and the success of Boucheron among Japanese customers.

In North America, sales fell 8% on a comparable basis due to the decrease in wholesale revenue, particularly at Alexander McQueen. Balenciaga's sales growth turned positive again in North America in 2024 in directly operated stores.

In Asia-Pacific, revenue fell 10% on a comparable basis: performance varied between houses, and was positive at Brioni, Boucheron and Pomellato.

In the Rest of the world, the Other Houses posted 2% revenue growth on a comparable basis, driven by good performances of Balenciaga and Brioni in the Middle East.

### Revenue by product category

Jewelry houses maintained their 2023 trends, with growth in 2024 driven in particular by the success of their collections and development in Asia-Pacific and Japan. High jewelry collections from Boucheron but also Pomellato were particularly well received.

Of the other categories, leather goods was the most resilient because of the success of Balenciaga's handbag range, and of its *Rodeo* bag in particular.

However, the shoes and ready-to-wear categories suffered from more moderate demand from aspirational customers in certain markets, and from the ongoing transition at Alexander McQueen.

Royalty revenue fell compared to 2023.

## Recurring operating income

In 2024, the Other Houses reported a recurring operating loss of €9 million, a deterioration of €221 million compared to 2023.

The decrease in recurring operating income was due to negative operating leverage at Balenciaga and Alexander McQueen as a result of lower sales, particularly in the wholesale distribution network despite a streamlined cost base, while Brioni, Boucheron and Ginori saw their results improve.

EBITDA totaled €426 million, down €159 million year-on-year. This caused EBITDA margin to fall 3.5 points to 13.2%.

## Store network and operating investments

The Other Houses had 640 directly operated stores as of December 31, 2024, a net increase of 22 compared to the same period in 2023.

Balenciaga, Brioni and the jewelry houses were mainly behind this expansion of the network, while Alexander McQueen closed some of its less productive stores. Japan had most store openings (net of closures), followed by Asia-Pacific. Boucheron opened its first stores in the United States, one on Madison Avenue in New York and one in Las Vegas.

The Other Houses' operating investments totaled €194 million in 2024, €53 million less than in 2023. As a proportion of annual revenue, investments fell to 6% in 2024. Although the houses are working to strengthen their direct distribution, they are also investing in their production capabilities and the full array of infrastructure needed to develop their businesses.

## 4.5 Kering Eyewear and Corporate

| *(in € millions)* | 2024 | 2023 | Change |
|---|---|---|---|
| **Revenue** | **1,941** | **1,568** | **+24%** |
| *of which Kering Eyewear* | *1,583* | *1,502* | *+5%* |
| *of which Kering Beauté* | *323* | *62* | *N/A* |
| *of which Corporate and other* | *35* | *4* | *N/A* |
| **Recurring operating income** | **112** | **(7)** | **N/A** |
| *of which Kering Eyewear* | *277* | *276* | *–* |
| *of which Corporate and other* | *(165)* | *(283)* | *+42%* |
| Acquisitions of property, plant and equipment and intangible assets | 2,499 | 1,638 | N/A |
| Average FTE headcount | 7,240 | 6,906 | +4% |

The "Kering Eyewear and Corporate" segment comprises:

- Kering Eyewear and Kering Beauté, whose sales and operating income are presented before the elimination of intra-group sales and other consolidation adjustments (reported on the separate line item "Eliminations");
- Kering's headquarters teams, all corporate departments reporting to them – including in the regions – and Shared Services, which provide a range of services to the brands, along with the Kering Sustainability Department.

In 2024, the segment generated total revenue of €1,941 million, including €1,583 million from Kering Eyewear and €323 million from Kering Beauté.

Kering Eyewear's sales were up 5% as reported. At constant scope and exchange rates, revenue rose by 6%, with the number of licenses managed by Kering Eyewear remaining stable relative to 2023. The performance was driven by the strong momentum of the Gucci, Maui Jim, Cartier and Saint Laurent brands. Growth at constant scope was solid in the main markets, and was driven in particular by Europe and Asia-Pacific.

Kering Beauté's revenue mainly comprises that of Creed, which grew relative to 2023 particularly as a result of developing new fragrances for women. Kering Beauté also launched a range of high-end fragrances for Bottega Veneta in 2024.

Local chains and the "three Os" (Opticians, Optometrists and Ophthalmologists) constitute the main channel for sales under license by brands managed by Kering Eyewear (around 50% of total sales in both 2024 and 2023). Revenue from those distributors once again saw robust growth, showing the effectiveness of Kering Eyewear's sales organization. Sales in other distribution channels also rose, particularly in brands' own stores, and continued to recover in travel retail.

The segment's recurring operating income was €112 million, driven by Kering Eyewear's operating income of €277 million, whereas Kering Beauté's positive contribution was offset by Corporate costs, resulting in a net negative impact of €165 million.

Kering Eyewear's recurring operating margin was 17.5%, slightly less than in 2023 because of increased investments at Maui Jim, aimed particularly at continuing its development in new markets.

Corporate operating expenses were lower than in 2023 as a result of efficiency efforts, and despite depreciation and amortization charges relating to investments made in recent years in information systems, digitalization and innovation.

The segment's operating investments amounted to €2,499 million in 2024 and included the acquisition of real estate properties in New York and Milan, with the aim of securing prime locations for the Group's houses. Adjusted for those acquisitions, operating investments amounted to €298 million in 2024, up €41 million relative to 2023. The increase resulted from investment efforts at Kering Eyewear and Corporate, along with the inclusion of Creed in the scope of consolidation over the full year.

# 5 - PARENT COMPANY NET INCOME

In 2024, the parent company generated net income of €1,413 million, compared to €1,855 million in 2023. The 2024 figure includes €1,966 million of dividends received from subsidiaries (versus €1,886 million in 2023).

# 6 - TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties in 2024 are described in the notes to the consolidated financial statements (see Consolidated financial statements, Note 31 – Transactions with related parties).

# 7 - OUTLOOK

To achieve its long-term vision, Kering invests in the development of its houses, so that they continuously strengthen their desirability and the exclusivity of their distribution, strike a perfect balance between creative innovation and heritage, and achieve the highest standards in terms of quality, sustainability and experience for their customers.

In an economic and geopolitical environment that remains uncertain, Kering continues to deploy its strategy with the aim of achieving profitable long-term growth trajectory.

The Group is stepping up the initiatives needed to support the development and growth of its houses, while implementing with determination the efforts required to increase its efficiency. These actions imply particular vigilance with regards to financial discipline related to control of the Group's cost base, selectively of its investments, and management of its balance sheet.

# 8 - DEFINITIONS OF NON-IFRS FINANCIAL INDICATORS

## “Reported” and “comparable” growth

The Group’s “reported” growth corresponds to the change in reported revenue between two periods.

The Group measures “comparable” growth (also referred to as “organic” growth) in its business by comparing revenue between two periods at constant scope and exchange rates.

Changes in scope are dealt with as follows for the periods concerned:

- the portion of revenue relating to acquired entities is excluded from the current period;
- the portion relating to entities divested or in the process of being divested is excluded from the previous period.

Currency effects are calculated by applying the average exchange rates for the current period to amounts in the previous period.

## Recurring operating income

The Group’s operating income includes all revenues and expenses directly related to its activities, whether these revenues and expenses are recurring or arise from non-recurring decisions or transactions.

Other non-recurring operating income and expenses consist of items that, by their nature, amount or frequency, could distort the assessment of the Group’s operating performance as reflected in its recurring operating income. They include changes in scope, the impairment of goodwill and brands and, where material, of property, plant and equipment and intangible assets, capital gains and losses on disposals of non-current assets, restructuring costs and disputes.

“Recurring operating income” is therefore an alternative performance indicator for the Group, defined as the difference between operating income and other non-recurring operating income and expenses. This indicator is intended to facilitate the understanding of the operating performance of the Group and its houses and can therefore be used as a way to estimate recurring performance. It is presented in a manner that is consistent and stable over the long-term in order to ensure the continuity and relevance of financial information.

## EBITDA

The Group uses EBITDA as an alternative performance indicator to monitor its operating performance. This financial indicator corresponds to recurring operating income plus net charges to depreciation, amortization and provisions on non-current operating assets recognized in recurring operating income.

## Free cash flow from operations, available cash flow from operations and available cash flow

The Group uses an intermediate line item, "Free cash flow from operations", to monitor its financial performance. This financial indicator measures net operating cash flow less net operating investments (defined as acquisitions and disposals of property, plant and equipment and intangible assets).

The Group has also defined a new indicator, "Available cash flow from operations", in order to take into account capitalized fixed lease payments (repayments of principal and interest) pursuant to IFRS 16, and thereby reflect all of its operating cash flows.

"Available cash flow" therefore corresponds to available cash flow from operations plus interest and dividends received, less interest paid and equivalent (excluding leases).

Moreover, the Group assesses the impact of acquisitions and disposals of strategic real estate assets on free cash flow from operations, considering them as scope effects on this indicator.

## Net debt

Net debt is one of the Group's main financial indicators, and is defined as borrowings less cash and cash equivalents. Lease liabilities are not included in the calculation of this indicator. Borrowings include put options granted to minority interests.

The cost of net debt corresponds to all financial income and expenses associated with these items, including the impact of derivative instruments used to hedge the fair value of borrowings.

## Effective tax rate on recurring income

The effective tax rate on recurring income corresponds to the effective tax rate excluding tax effects relating to other non-recurring operating income and expenses.

# 9 - INVESTMENT POLICY

Kering's investment policy is designed to support and enhance the Group's growth potential in its markets and is focused on financial investments and investments related to operations.

Financial investments reflect the Group's strategy of reinforcing profitable high-growth activities in the luxury market by acquiring attractive brands with strong growth potential and market positions that complement its existing assets.

Operating investments are designed to accelerate organic growth for the Group's brands. This is achieved by, for example, developing and renovating the store network and by investing in logistics centers and IT systems.

## Financial investments

Financial investments represented net cash inflows of €92 million in 2024 (compared to net cash outflows of €4,822 million in 2023, relating in particular to the acquisition of Creed and a 30% stake in Valentino).

# Operating investments

The Group conducts a targeted investment policy designed to reinforce both its image and the unique positioning of its houses, as well as to increase its return on capital employed.

The Group's investment policy is focused on the optimization of its store network, the conversion and renovation of its existing points of sale, the establishment and maintenance of manufacturing units in the luxury sector, and the development of IT systems.

Operating investments amounted to €3,309 million in 2024, an increase of €698 million relative to 2023. They include the acquisition of real estate assets in New York and Milan for €2,201 million. Excluding the acquisition of real estate assets, operating investments totaled €1,108 million, representing 6.4% of revenue and are down 10% relative to 2023. The following analysis is based on this perimeter. Seasonal variations in investments are similar from one year to the next, with a greater proportion of investments taking place in the second half, albeit a slightly lower proportion in 2024 than in 2023.

As of December 31, 2024, the Group had a network of 1,813 directly operated stores. Net store additions compared to December 31, 2022 totaled 42.

## Gucci

As of December 31, 2024, Gucci operated 529 stores directly. During the year, Gucci closed nine stores (net of openings) in Asia, Japan, Eastern Europe and the Middle East.

The House therefore continued to prioritize optimizing its store network in support of its brand elevation strategy, increasing its visibility in the best locations and giving customers an exclusive experience, while withdrawing from less productive locations.

Gucci's operating investments amounted to €293 million in 2023, down €142 million compared to 2023, as the House focused on high-impact projects. As a proportion of revenue, they equaled 3.8%.

## Yves Saint Laurent

As of December 31, 2024, the House had 318 directly operated stores. A net 10 new stores were added in 2024 in Yves Saint Laurent's main markets. In particular, the House opened a store in Meatpacking District in New York and reopened its store in Design District in Miami, adopting the new store concept first unveiled at the Champs-Élysées store in Paris. Many existing stores were refurbished, relocated and extended.

This resulted in a high level of operating investments, which amounted to €211 million, up €25 million relative to 2023. As a proportion of revenue, they equaled 7.3%.

## Bottega Veneta

As of December 31, 2024, Bottega Veneta had 307 directly operated stores. There were 19 net store openings in the House's main markets during the year.

In line with its brand strategy, the House opened two invitation-only spaces dedicated to its most exclusive customers, one in the Palazzo Soranzo Van Axel in Venice and one on Madison Avenue in New York.

Operating investments totaled €112 million, up 7% compared to 2023. However, they remained broadly stable as a percentage of the House's turnover (around 6.5%).

## Other Houses

The Other Houses had 640 directly operated stores as of December 31, 2024, a net increase of 22 compared to the same period in 2023.

Balenciaga, Brioni and the jewelry houses were mainly behind this expansion of the network, while Alexander McQueen closed some of its less productive stores. Japan had most store openings (net of closures), followed by Asia-Pacific. Boucheron opened its first stores in the United States, one on Madison Avenue in New York and one in Las Vegas.

The Other Houses' operating investments totaled €194 million in 2024, €53 million less than in 2023. As a proportion of annual revenue, investments fell to 6% in 2024. Although the houses are working to strengthen their direct distribution, they are also investing in their production capabilities and the full array of infrastructure needed to develop their businesses.

## Kering Eyewear and Corporate

The segment's operating investments amounted to €2,499 million in 2024 and included the acquisition of real estate properties in New York and Milan, with the aim of securing prime locations for the Group's houses. Adjusted for those acquisitions, operating investments amounted to €298 million in 2024, up €41 million relative to 2023. The increase resulted from investment efforts at Kering Eyewear and Corporate, along with the inclusion of Creed in the scope of consolidation over the full year.

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# Corporate governance


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# 1 - KERING'S GOVERNANCE

This chapter represents the corporate governance report, accompanying the management report, prepared by the Board of Directors pursuant to Article L. 225-37 of the French Commercial Code. It notably reports on the following:

- the composition of the Board of Directors and the description of the diversity policy applied to its members;
- the conditions of preparation and organization of its work;
- compliance with the recommendations of the Corporate Governance Code of Listed Companies to which the Company refers;
- limitations, if any, placed by the Board on the powers of the Chief Executive Officer;
- the remuneration policy for corporate officers;
- disclosures related to the remuneration and benefits of any kind awarded to the corporate officers during the financial year, in accordance with Article L. 22-10-9 of the French Commercial Code.

The other disclosures included in the corporate governance report are published in chapters 5 and 7 of this Universal Registration Document, and in particular:

- the description of the main features of the internal control and risk management systems, in relation to financial reporting (see chapter 5);
- the summary showing the authorizations currently in force granted by the Annual General Meetings (see chapter 7).

This report was drafted by the Board of Directors on March 4, 2025.

## 1.1 Reference corporate governance code

The Company refers to the Corporate Governance Code of Listed Corporations drafted by the AFEP and MEDEF (the "AFEP-MEDEF Code"). This code, updated on December 20, 2022, is available for download from the websites of the AFEP (www.afep.com), the MEDEF (www.medef.com) and the High Committee on Corporate Governance (*Haut comité de gouvernement d'entreprise*, www.hcge.fr).

## 1.2 Company's management structure

### 1.2.1 Roles of Chairman of the Board of Directors and Chief Executive Officer combined

In 2005, Kering (then called PPR) adopted a governance structure with a Board of Directors, which appointed François-Henri Pinault as Chairman of the Board of Directors and Chief Executive Officer.

At the Combined General Meetings of May 7, 2009, June 18, 2013, April 27, 2017, and April 22, 2021, the shareholders decided to reappoint him as a director. At its meetings held subsequent to each of these Combined General Meetings, the Board of Directors decided to maintain the combined role structure and reappointed François-Henri Pinault as Chairman and Chief Executive Officer. The decision to maintain the combined role structure was considered best suited to the Group's organization, functioning and activities.

The Board took into consideration the special position of François-Henri Pinault. He is related to Kering's controlling shareholder and has been very actively involved in conducting the Group's business affairs, endowing him with long-standing, intimate operational knowledge, plus a wealth of experience. The Board also underlined the benefits of combining the roles following the transformation of the Company into a luxury group. Its view is that this company management structure, through the consistent, responsive and effective strategic decision-making it fosters, best fits the Group's operational requirements, helps to optimize the Group's economic and financial performance, and ensures strong and harmonious communication.

This governance framework is also suited to the Group's shareholder structure, which includes individual investors, a controlling shareholder and institutional shareholders, all of whom have a stake in Kering's long-term development. It is thus aligned with the best interests of the Company and its shareholders.

In addition, given that the roles of Chairman and Chief Executive Officer are combined and to provide additional assurance with regard to the proper functioning of the Board and the balance of power, the Board of Directors introduced in 2019, on the recommendation of the Appointments and Governance Committee, the role of Lead Independent Director, with the remit described in section 1.4 of this chapter and in the Board of Directors' internal rules.

In the course of the internal assessment of its functioning at the beginning of 2025, the Board of Directors unanimously confirmed the effectiveness of this governance framework for Kering and the robust mechanisms put in place (outlined below) to secure a balance of power.

### 1.2.2 Role of the Chairman and Chief Executive Officer

In his capacity as Chairman of the Board of Directors, the Chairman and Chief Executive Officer organizes and directs the work of the Board and reports on these duties to the Annual General Meeting. He ensures that the corporate structure operates properly and, in particular, that the directors are able to fulfill their duties. He convenes, draws up the agenda for and chairs meetings of the Board of Directors.

In his role as Chief Executive Officer, the Chairman and Chief Executive Officer holds the broadest powers to act on the Company's behalf in all circumstances. He exercises these powers within the limits of the corporate purpose subject to the powers that the law expressly confers on shareholders' meetings and the Board of Directors. The internal rules of the Board of Directors place limitations on the powers (as set forth below) exceeding the statutory requirements beyond which any decision made by the Chairman and Chief Executive Officer must be authorized in advance by the Board of Directors.

The Chairman and Chief Executive Officer represents the Company in its dealings with third parties.

Since September 1, 2023, François-Henri Pinault has been assisted in his duties as Chief Executive Officer by Francesca Bellettini, Deputy CEO in charge of Brand Development, and by Jean-Marc Duplaix, Deputy CEO and Chief Operating Officer.

### 1.2.3 Executive Management team

The Executive Committee, an operational body making decisions collegiately under the authority of the Chairman and Chief Executive Officer that includes both Deputy CEOs and heads of the main Houses and functions, is responsible for the Group's Management.

As of December 31, 2024, Kering's Executive Committee had 13 members, with women accounting for 46% of the total. A detailed presentation of the Executive Committee members is provided in section 3.4 of chapter 1 in this Universal Registration Document.

## 1.3 Balance of power

Kering has put in place a number of mechanisms to safeguard an effective balance of power.

### 1.3.1 The Board of Directors

The composition and functioning of Kering's Board of Directors are organized to safeguard balanced governance and allow the Board to discharge its duties fully and efficiently.

Kering strives to maintain a diversified and harmonious composition of the Board of Directors. The directors are selected on the strength of their career achievements and their skill sets. The Board's members are prominent figures who have worked in a variety of areas and sectors. All have held very senior responsibilities, including at international groups. They are able to gain a clear grasp of all the Group's priorities and interact effectively with Executive Management by drawing on their experience and expertise in key areas for Kering.

In addition, a significant proportion of the Board of Directors' members are independent directors. It exceeds the one-third level required by the AFEP-MEDEF Code for controlled companies. As of March 4, 2025, the percentage was 64%, with seven independent and four non-independent members. Pursuant to the AFEP-MEDEF Code, neither of the directors representing employees are counted in this calculation.

The four specialized Committees (Audit, Remuneration, Appointments and Governance, and Sustainability) are chaired by an independent director, and their proportion of independent directors complies with or is above the recommendations of the AFEP-MEDEF Code.

Since 2019, the Board of Directors' members have included a Lead Independent Director, chosen from among the independent directors and given a special remit for governance and shareholder relations presented in section 1.4 of this chapter.

Executive sessions are another means by which a balance of power is maintained between the Company's governing bodies. These meetings are held without the Chairman and Chief Executive Officer or any other member of the management team being present. They are coordinated by the Lead Independent Director and provide a chance for the non-executive directors to review the general functioning of the Board and to discuss specific issues (see section 3.2.3 of this chapter for more details). In accordance with the internal rules of the Board of Directors, this type of meeting must be held at least once every year.

In addition, the Board of Directors conducts every year an assessment of its composition and its functioning, with the Lead Independent Director running proceedings. Every three years, a formal assessment is carried out, if need be by an external consultant. At the end of these meetings, the directors set new objectives for improving the quality of their organization. The Lead Independent Director in particular oversees the priorities identified and recommendations.

The conditions of preparation and organization of the work of the Board of Directors are described in section 3 of this chapter.

### 1.3.2 Limitations placed on the powers of the Chief Executive Officer

To maintain a balance of power and create the conditions for harmonious governance, the Company has limited the powers of the Chief Executive Officer.

Accordingly, notwithstanding the statutory provisions governing the authorizations that fall within the remit of the Board (related-party agreements, endorsements, suretyships and guarantees, divestments of shareholdings or sale of real estate, etc.), Article 15 of the Company's articless of Association and the internal rules of the Board of Directors state that the following decisions by the Chief Executive Officer require the prior approval of the Board:

- matters and transactions that have a substantive effect on the strategy of the Company or more generally of the Group, its financial structure or its scope of business activity;
- except in the event of a decision by the Annual General Meeting, issues of securities of all types that are liable to cause a change in the share capital;
- the following transactions by Kering SA or by any entity controlled by the Group, insofar as they each exceed €500 million, an amount set annually by the Board of Directors:
  - all investments or divestments, including the acquisition, sale or exchange of holdings in all existing or future businesses,
  - all purchases or sales of Group real estate.

### 1.3.3 Dialogue with Executive Management and operational divisions

The directors can take up matters with Executive Management at any time and with complete transparency, and Executive Management keeps the directors regularly informed of all important events concerning the Company's business affairs.

The directors are in regular contact with the Group's senior executives, who take part at the strategic seminars and other meetings of the Board of Directors and Committees, according to the items on the agenda and the Group's latest developments. Both Deputy CEOs are regularly invited to attend Board of Directors' meetings. Their involvement enhances the dialogue between directors and the operational and functional departments.

Each director is also entitled, if they so wish, to meet the Group's senior executives outside these meetings in order to gain a better insight into the Group's businesses or certain operational issues.

# 1.4 Role and duties of the Lead Independent Director

## 1.4.1 Presentation of the Lead Independent Director

In light of changes to the composition of the Board of Directors and following a discussion with the Company's shareholders in late 2018, the Board of Directors decided to appoint a Lead Independent Director to provide additional assurance with regard to the proper functioning of the Board and the balance of power.

Acting on the recommendation of the Appointments and Governance Committee, the Board of Directors created the position of Lead Independent Director at its meeting on February 11, 2019.

Following the appointment of Véronique Weill at the Annual General Meeting of April 28, 2022, the Board of Directors entrusted this position to her. She replaced Sophie L'Helias whose term of office expired on March 4, 2022. She brings to Kering's Board of Directors her extensive experience, particularly in corporate governance.

A loss of independent director status would immediately terminate her role as Lead Independent Director.

## 1.4.2 Lead Independent Director's duties and powers

### Organization of the work of the Board of Directors and relationship with Directors

The Lead Independent Director:

- is consulted on the agenda and schedule of Board meetings and may propose additional agenda items to the Chairman;
- liaises between the independent directors, other Board members and Executive Management. This includes maintaining regular, open dialogue with each of the directors, particularly with the independent directors. It also involves organizing at least one meeting per year without the executive corporate officers being present;
- prevents conflicts of interest. The Lead Independent Director brings to the Board's attention any potential conflicts of interest identified involving executive corporate officers or other Board members;
- ensures compliance with the Board of Directors' internal rules and the principles/ recommendations of the AFEP-MEDEF Code. In this capacity, the Lead Independent Director may make any proposal or recommendations he/she deems appropriate;
- oversees the process of assessing the Board of Directors and reports on the assessment to the Board of Directors.

### Relationship of the Lead Independent Director with shareholders

The Lead Independent Director:

- In coordination with the Chairman of the Board, represents the Board in its dealings with investors concerning environmental, social and governance (ESG) matters. This includes meeting with certain shareholders and reporting their ESG-related questions back to the Board;
- Stays informed about shareholders' requests in relation to corporate governance and ensures that responses are provided.

### Resources

The Lead Independent Director:

- has access to all documents and other information he/she deems necessary for the performance of his/her duties and may request that external technical studies be carried out, at the Company's expense;
- is kept informed about the Company's activities on a regular basis. He/she may also meet with the Group's operational or functional executives, at his/her request and after having informed the Chairman and the Chief Executive Officer;
- may request the Board Secretary's assistance with carrying out their duties;
- may ask to take part at meetings of Committees of which he/she is not a member, with the consent of the relevant Committee's Chair.

### Reporting

The Lead Independent Director reports to the Board of Directors on the performance of his/her duties once a year. He/she may also be asked by the Chairman to report on his/her activities to Annual General Meetings.

At the end of each term of office served by the Lead Independent Director, the Board of Directors reviews the body's functioning and the associated powers with a view to making adjustments, if necessary.

In addition, the Lead Independent Director provides the Board with a summary of the work carried out during the year.

### Work carried out in 2024

During 2024, Véronique Weill, in her capacity as Lead Independent Director:

- stayed in regular contact with the Chairman and Chief Executive Officer concerning all material governance issues arising during the year, as well as with all the directors;
- participated in the preparation of agendas for Board meetings;
- took part in the meetings arranged in advance of the Annual General Meeting of April 25, 2024, to discuss with the main proxy advisors and the Company's main institutional investors (representing around 30% of the free float and 17% of total share capital) the resolutions to be submitted for shareholders' approval;
- reported on the work performed by the Board of Directors during 2023 to the Annual General Meeting of April 25, 2024, and presented to shareholders the resolutions on the composition of the Board of Directors and the remuneration of corporate officers submitted for their approval;
- held discussions with the three independent board members appointed by the Annual General Meeting of April 25, 2024, in connection with their induction program;
- oversaw the implementation of the recommendations arising from the formal assessment of the functioning of the Board of Directors and its Committees, which was led by an independent external consultant in 2023;
- organized and led the four meetings of the Remuneration Committee, of which she is the Chair;
- actively contributed to preparations for the ESG roadshow and attended all the related work meetings arranged by the Investor Relations Department and the Legal Department;
- attended the ESG roadshow held in November 2024 with French and international investors representing around 50% of the free float (and 29% of total share capital), during which she was able to discuss topics with them related to the strategy and governance (the presentation used at the roadshow is available from the Company's website);
- reported to the Board of Directors on the conversations she had with investors during the ESG roadshow;
- organized and chaired discussions of an executive session (meeting of the non-executive directors without the Chairman and Chief Executive Officer being present) on December 3, 2024.

In 2024, the Lead Independent Director attended the nine meetings of the Board of Directors and all meetings of the four Committees on which she sits, representing an attendance rate of 100% at a total of 26 meetings.

In early 2025, she led an internal assessment of the functioning of the Board of Directors and its Committees, the process for and results of which are presented in section 3.3 of this chapter.

## 1.5 Role and duties of the Climate Change Lead

### 1.5.1 Presentation of the Climate Change Lead

In line with the Group's climate action commitments, the Board of Directors decided during its meeting on February 16, 2022, to create the role of Climate Change Lead. The Climate Change Lead's role is to make certain that climate issues are taken into account at the highest echelons of the Group and fully embedded in the Board's thinking and decision-making process.

At its meeting of April 28, 2022, the Board of Directors appointed Jean-Pierre Denis to this role. He possesses expertise in sustainable development and risk management, including non-financial risks and the link between financial and non-financial performance. Jean-Pierre Denis served as Chairman of Dalkia (renewable energies) from 1999 until 2003, was a member of Veolia Environnement's Executive Board from 2000 until 2003. Since 2021, he has been Vice-Chairman of the Paprec group, a recycling and waste processing specialist. He has been a member of Kering's Audit Committee since 2008, chairing it between 2012 and 2021, of the Sustainability Committee since 2020.

### 1.5.2 Role and duties of the Climate Change Lead

In accordance with the internal rules of the Board of Directors, last updated on December 3, 2024, the role of the Climate Change Lead, acting in conjunction with the Chair of the Sustainability Committee and the Lead Independent Director, involves:

- ensuring that the Board at large and each of the directors individually have a clear grasp and understanding of the climate change priorities and impacts, generally and specifically for Kering and the luxury sector;
- proposing any actions deemed relevant to enhance the Board's overall expertise in the area;
- ensuring that the Board of Directors identifies the climate change-related impacts, risks and opportunities and that the work of the Board and the strategy it defines embrace the climate change priorities;
- ensuring that the Board of Directors checks that climate action plans have been put in place and are implemented adequately.

### Resources

The Climate Change Lead:

- has access to all documents and other information he/she deems necessary for the performance of his/her duties. He/she may request that external technical studies be carried out, at the Company's expense;
- may propose to the Chairman that additional items falling with the scope of his/her duties should be added to the agenda of Board meetings;
- may meet with the Group's operational or functional executives, at his/her request and after having informed the Chairman and the Chief Executive Officer;
- may request the Board secretary's assistance with carrying out his/her duties.

### Work carried out in 2024

During 2024, the Climate Change Lead conducted an in-depth analysis of the Group's decarbonization strategy against the backdrop of the first year of implementation of the Corporate Sustainability Reporting Directive (CSRD) in Europe. Accordingly, the Climate Change Lead met on several occasions with the Chief Sustainability and Institutional Affairs Officer, as well as the Group General Counsel. He also had conversations with members of the Sustainability Department in charge of climate performance or reporting issues.

After completing his work, the Climate Change Lead presented to the Board of Directors on December 3, 2024, a detailed report on his analysis, which began with an overview of the Group's climate performance in relation to its financial performance, as well as the action plans, tools and programs implemented as part of its roadmap. He issued a number of recommendations concerning actions to be undertaken to ensure achievement of the Group's climate targets and to optimize performance monitoring by the Board, which were then debated by directors.

## 1.6 Governance-related dialogue with shareholders

Kering places great importance on the dialogue with its shareholders and seeks to maintain and strengthen their trust by providing them with regular information on the Company's latest development. It holds meetings throughout the year and makes sure that it answers any questions and responds to any comments they may have. These valuable discussions enable the Board of Directors to gain clearer insights into shareholders' expectations, consider new ideas and make changes to the Group's practices for continuous improvement purposes.

From a governance perspective, the Lead Independent Director and the Investor Relations Department manage this dialogue under the oversight of the Chairman and Chief Executive Officer, in tandem with the Board Secretary and the Legal Department.

In late 2024, as every year since 2018, the Company held an ESG (environmental, social and governance) roadshow for French and international investors (representing around 50% of the free float and 29% of total share capital). The Lead Independent Director, the Board Secretary, the Chief Sustainability and Institutional Affairs Officer and the Investor Relations Department took part at the event. These meetings provided the Lead Independent Director with an opportunity to have conversations with investors about the Group's governance, including recent changes at the helm of its Houses, the composition of and work carried out by the Board of Directors.

The Lead Independent Director reported in detail to the Board of Directors on the observations made and expectations expressed by investors at the event.

In addition, the Investor Relations Department, working in tandem with the Board Secretary and the Legal Department, holds meetings with the Group's main institutional investors every year ahead of the Annual General Meeting to present to them the resolutions to be submitted to shareholders for their approval. These meetings also provide a first-class opportunity to discuss the Group's governance arrangements.

The presentations given by Kering at these various meetings are made available on its website www.kering.com.

Please refer to section 2.6 "Financial communications policy" of chapter 7 "Investor information" for further information about the Company's dialogue with its shareholders.

## 1.7 Succession plan

The Appointments and Governance Committee periodically reviews the succession planning process for both the Group's executive corporate officer and the process for the current Executive Committee members, House CEOs and their Creative Directors.

### 1.7.1 Succession plan for the Chairman and Chief Executive Officer

The succession planning process for the Chairman and Chief Executive Officer was reviewed by the Appointments and Governance Committee at its meeting on November 19, 2024.

The method selected takes into account the Group's specific characteristics, particularly its governance structure, its organization (relationship between Corporate and the Group's House teams) and its strategic challenges and priorities as defined by the Board of Directors. Various phases have been defined. The first involves determining the potential changes in governance that would be required in the event of a change at the Company's helm, based on an extensive study of organizational practices in the industry and among Kering's CAC 40 peers.

During their regular dialogue, the Committee Chair discussed with the Chairman and Chief Executive Officer the process for appointing his successor, the requisite skills and expertise and a list of potential candidates.

### 1.7.2 Succession plan for Executive Committee members, House CEOs and Creative Directors

The succession planning process for the Executive Committee members, House CEOs and Creative Directors was also reviewed by the Appointments and Governance Committee at its meeting on January 29, 2025.

Potential candidates, their career achievements and their promotions are assessed on a regular basis by the Human Resources Department with the assistance, where appropriate, of an external firm for the purpose of effective succession planning for these key positions and achieving the strategic goals of the Group and its houses.

This assessment is conducted both internally during the annual talent reviews and externally via continuously monitoring. One person reporting to the Deputy CEO in charge of Brand Development is charged with spotting and tracking the progress of creative talent within the Group's houses.

The internal and external talent spotting processes underpin effective succession arrangements for key roles, remedying the issues that can arise if these roles are vacated. In addition, the collective expertise accumulated by teams, especially at the creative studios in each of the houses, remains the best means of safeguarding business continuity and the continued execution of the Group's strategy, especially during transition periods.

In addition, a gender balance analysis always forms part of talent reviews and succession planning.

# 2 - COMPOSITION OF THE BOARD OF DIRECTORS

## 2.1 Members of the Board of Directors as of March 4, 2025

| | | | Age | Gender | Nationality | Start of 1st term of office (AGM) | End of current term | Seniority on the Board[3] | Committee membership | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Audit | Remuneration | Appointments and Governance | Sustainability |
| Chairman and CEO | François-Henri Pinault | | 62 | M | French | 1993[2] | 2025 | 32 | | | | • |
| Independent Directors[1] | Véronique Weill *Lead Independent Director* | | 65 | F | French | 2022 | 2026 | 3 | • | C | • | • |
| | Maureen Chiquet | | 61 | F | American | 2023 | 2026 | 1 | | | | • |
| | Yonca Dervisoglu | | 55 | F | Turkish and British | 2022 | 2026 | 3 | | | • | • |
| | Dominique D'Hinnin | | 65 | M | French | 2024 | 2028 | 1 | C | • | | |
| | Rachel Duan | | 54 | F | Chinese | 2024 | 2028 | 1 | • | | | |
| | Giovanna Melandri | | 63 | F | Italian and American | 2024 | 2028 | 1 | | | | C |
| | Serge Weinberg | | 74 | M | French | 2022 | 2026 | 3 | • | • | C | |
| Non-independent Directors | Jean-Pierre Denis *Climate Change Lead* | | 64 | M | French | 2008 | 2028 | 17 | • | | | • |
| | Financière Pinault represented by Héloïse Temple-Boyer | | 46 | F | French | 2018 | 2025 | 6 | • | • | • | |
| | Baudouin Prot | | 73 | M | French | 1998[4] | 2025 | 27 | | | • | |
| Directors representing employees | Concetta Battaglia | | 56 | F | Italian and British | 2020 | 2028 | 5 | | | • | • |
| | Vincent Schaal | | 56 | M | French | 2022 | 2026 | 3 | | • | | |

**61** years' average age of the Directors

**64%** independent Directors[5]

**55%** women[5]

**7.8** years' average seniority

● Committee member **C** Committee Chair

(1) Based on the independence criteria laid down in the AFEP-MEDEF Code.
(2) Member of the Executive Board from 1993 to 2001 and the Supervisory Board from 2001 to 2005.
(3) Length of service on the Board is calculated based on the number of months in office, which is converted into years, to make sure an accurate figure is provided.
(4) Member of the Supervisory Board until 2005.
(5) Excluding the directors representing employees in accordance with Article L. 225-27-1 of the French Commercial Code and the AFEP-MEDEF Code's recommendations.

## Biographies of the Directors with details of their directorships and positions in other companies

### François-Henri Pinault
**Chairman and Chief Executive Officer**

CSR

Number of shares held: 37,141

Born on May 28, 1962 (62 years old)
French citizen

Kering
40, rue de Sèvres
75007 Paris
France

First appointed in 1993
Term of office last renewed on April 22, 2021
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2024

François-Henri Pinault joined the Pinault group in 1987. He held senior positions in the main subsidiaries of the Group before becoming a member of the Management Board of Pinault Printemps Redoute in 1993.

From 1997 to 2000, he served as Chairman and Chief Executive Officer of Fnac.

In 2000, François-Henri Pinault was appointed Deputy Chief Executive Officer of PPR (since renamed Kering) and in 2003, Chairman of the Artémis group, Kering's controlling shareholder.

After holding several key positions at PPR (Chairman of the Executive Board, Vice-Chairman of the Supervisory Board, member of the Supervisory Board and member of the Executive Board), François-Henri Pinault was appointed Chairman and Chief Executive Officer of Kering in 2005. He gradually transformed Kering into a global luxury group, a pioneer in sustainability with a deep commitment to the advancement of women - two causes that are particularly close to his heart. He also chairs the Kering Foundation, which was founded in 2009 to combat violence against women.

François-Henri Pinault, a French citizen, is a graduate of the *École des hautes études commerciales* (HEC) business school.

Following the Annual General Meeting on April 22, 2021, the Board of Directors reappointed him as Chairman and Chief Executive Officer for the duration of his term of office as a Director, which will expire at the end of the Annual General Meeting called to approve the financial statements for the year ended December 31, 2024.

François-Henri Pinault is a member of the Sustainability Committee.

He attended the nine Board meetings held in 2024 and the four meetings of the Sustainability Committee, including two held jointly with the Audit Committee, representing an overall attendance rate of 100%.

François-Henri Pinault is legal manager and managing partner of Financière Pinault, which directly and indirectly held 42.34% of Kering's share capital as of December 31, 2024.

**Director expertise**

Risk management · Leadership · Finance and accounting · Governance · Industry · CSR Corporate social and environmental responsibility · Marketing · Technology, digital and cybersecurity · Innovation · Economics

**Directorships and positions held as of December 31, 2024:**

| Position | Company | Country | Start dates |
|---|---|---|---|
| **at the level of the majority shareholder group:** | | | |
| Legal manager | Financière Pinault SCA | France | June 2000 |
| Chairman | Artémis SAS | France | July 2018 |
| Member of the Management Board | SC Château Latour | France | July 1993 |
| Chairman of the Board of Directors and member of the Strategy Committee | Pinault Collection SAS | France | May 2016 and December 2024 |
| Chairman | Sonova Management SAS | France | July 2015 |
| Representative of Sonova Management, legal manager | Sonova SCS | France | September 2015 |
| Chairman | Artémis 28 SAS | France | January 2018 |
| Chairman | RRW France SAS | France | May 2018 |
| Director | Creative Artists Agency LLC | United States | September 2023 |
| **within the Kering group:** | | | |
| Director | Kering International Ltd | United Kingdom | May 2013 |
| Director | Kering UK Services Ltd | United Kingdom | May 2014 |
| Director | Kering Eyewear SpA | Italy | November 2014 |
| Director | Yves Saint Laurent SAS | France | June 2013 |
| Chairman of the Strategy Committee | Boucheron SAS | France | August 2020 |
| Chairman of the Board of Directors | Kering Foundation (Endowment Fund) | France | June 2023 |

**Directorships and positions held in the last five years, but now expired:**

| Position | Company | Country | End dates |
|---|---|---|---|
| Representative of Artémis 80, director | DEEZER (formerly I2PO) SAS | France | June 2022 |
| Chairman of the Strategy Committee | Boucheron Holding SAS | France | July 2020 |

## Véronique Weill

**Lead Independent Director**
**Chair of the Remuneration Committee**

Number of shares held: 50

Born on September 16, 1959 (65 years old)
French citizen

CNP Assurances
4, Promenade Cœur de Ville
92130 Issy-les-Moulineaux
France

First appointed in 2022
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2025

Véronique Weill, a French national, has held numerous responsibilities in financial services, with a background of more than 20 years in investment banking in the United States, in the UK and in France, then 10 years at AXA, as well as in the field of new technologies and digital.

A graduate of the *Institut d'études politiques* (IEP) in Paris and holder of a literature degree from the Sorbonne University, Véronique Weill began her career at Arthur Andersen Audit in Paris.

From 1985 to 2006, she held various positions of responsibility within JP Morgan in Paris, London and New York, in particular as Head of European, then Global Head of Operations and Technology for asset management and private clients, then Global Head of Operations for Investment Banking and Shared Services.

After returning to France in 2006, she joined the AXA Group as Managing Director of AXA Business Services and Director of Operational Excellence; she became a member of the Management Committee in 2010 as Chief Operating Officer, then Group Chief Customer Officer in charge of customers, brand and digital of the AXA Group. She has chaired subsidiaries in France, Spain and Italy, and she was a member of Scientific Board for AXA Research Fund.

In August 2017, she joined Publicis Groupe as General Manager, in charge of mergers and acquisitions, operations, IT and real estate, and as a member of the Group Management Committee.

Since July 2020, she has been Chair of the Board of Directors of CNP Assurances.

She is also a member of the Board of Directors of Valeo and of the Supervisory Board of Rothschild & Co.

Véronique Weill has been a Director of Kering since April 28, 2022. Her term of office will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending December 31, 2025.

The Board of Directors has designated Véronique Weill as Lead Independent Director. In coordination with the Chairman, she represents the Board in its dealings with investors concerning environmental, social and governance (ESG) matters.

Véronique Weill is the Chair of the Remuneration Committee and a member of three other specialized Committees, namely the Audit, the Appointments and Governance, and the Sustainability Committees.

She attended the nine Board meetings held in 2024 and all meetings of the four Committees on which she sits: four Remuneration Committee meetings, five Audit Committee meetings, two joint meetings of the Audit Committee and the Sustainability Committee, two Sustainability Committee meetings, and two Appointments and Governance Committee meetings, representing an overall attendance rate of 100%.

**Director expertise**

Risk management · Leadership · Finance and accounting · Governance · Industry · CSR Corporate social and environmental responsibility · Marketing · Technology, digital and cybersecurity · Innovation · Economics

**Directorships and positions held as of December 31, 2024:**

| Position | Company | Country | Start dates |
|---|---|---|---|
| Chair of the Board of Directors | CNP Assurances | France | 2020 |
| Chair of the Board of Directors | CNP Assurances Holding SAS | France | 2023 |
| Director | CNP Seguros Holding Brasil | Brazil | 2020 |
| Director | Holding XS1 | Brazil | 2020 |
| Director as a Member of the College of Donors and Patrons | Gustave Roussy Foundation | France | 2011 |
| Member of the Board Bureau | Gustave Roussy Foundation | France | 2023 |
| Chair of the Ethics and Compensation Committee | Gustave Roussy Foundation | France | 2024 |
| Member of the Supervisory Board | Rothschild & Co[(1)] | France | 2020 |
| Director | Valeo[(1)] | France | 2016 |

(1) Listed company (as of the date the position was held).

**Directorships and positions held in the last five years, but now expired:**

| Position | Company | Country | End dates |
|---|---|---|---|
| Director | Translate Plus – Publicis Groupe | United Kingdom | 2020 |
| Director | BBH Holding Ltd | United Kingdom | 2020 |
| Director | Prodigious UK | United Kingdom | 2020 |
| Director | Georges Besse foundation | France | 2020 |
| Director | Musée du Louvre | France | 2020 |
| Member of the Advisory Board | Salesforce | United Kingdom | 2022 |

## Dominique D'Hinnin

**Independent Director**
**Chair of the Audit Committee**

Number of shares held: 50

Born on August 4, 1959 (65 years old)
French citizen

40, rue de Sèvres
75007 Paris
France

First appointed in 2024
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2027

Dominique D'Hinnin is a graduate of *École normale supérieure* and *École nationale d'administration*. He began his career in 1986 with France's Inspectorate-General for Finance (1986-1990) before joining the Lagardère group in 1990 as an advisor to Philippe Camus. He then held several executive positions, starting as Chief Internal Auditor, then becoming Chief Financial Officer of Hachette Livre in 1993, and then Executive Vice President of Grolier, Inc. (Connecticut, USA) in 1994. He was Lagardère Chief Financial Officer from 1998 to 2009 and Co-Managing Partner of Lagardère SCA from 2009 to 2016.

After more than 25 years at Lagardère and with his expertise in the media and technology sectors, Dominique D'Hinnin joined the Board of Directors of Eutelsat Communications, which he has been chairing since 2017, Edenred, the world leader in digitalization of employee benefits, the private retail group Louis Delhaize SA (Belgium) and the Spanish company Cellnex Telecom.

Dominique D'Hinnin has been a Director of Kering since April 25, 2024. His term of office will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending December 31, 2027.

Dominique D'Hinnin is Chair of the Audit Committee and a member of the Remuneration Committee.

In 2024, from the date of his appointment, he attended the five Board meetings and all the meetings of the Committees on which he sits: four Audit Committee meetings, including one held jointly with the Sustainability Committee, and two Remuneration Committee meetings, representing an overall attendance rate of 100%.

### Directorships and positions held as of December 31, 2024:

| Position | Company | Country | Start dates |
|---|---|---|---|
| Chairman of the Board of Directors | Eutelsat Communications[1] | France | November 2017 |
| Chairman of the Board of Directors | Eutelsat SA | France | October 2017 |
| Vice-Chairman of the Board of Directors and Lead Independent Director | Edenred[1] | France | June 2017 |
| Director | Cellnex Telecom[1] | Spain | June 2023 |
| Director | Otanes SAS | France | December 2016 |

(1) Listed company (as of the date the position was held).

### Directorships and positions held in the last five years, but now expired:

| Position | Company | Country | End dates |
|---|---|---|---|
| Director | Louis Delhaize S.A | Belgium | July 2024 |
| Lead Independent Director | Vantiva (formerly Technicolor)[1] | France | April 2024 |
| Director | Golden Falcon Acquisition Corp[1] | United States | December 2023 |
| Director | Prisa[1] | Spain | November 2021 |

(1) Listed company (as of the date the position was held).

**Director expertise**

Risk management · Leadership · Finance and accounting · Governance · Industry · CSR Corporate social and environmental responsibility · Marketing · Technology, digital and cybersecurity · Innovation · Economics

## Serge Weinberg

**Independent Director**
**Chair of the Appointments and Governance Committee**

Number of shares held: 100

Born on February 10, 1951 (74 years old)
French citizen

1, rue Euler
75008 Paris
France

First appointed in 2022
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2025

A French national, Serge Weinberg is Chairman of the investment firm Weinberg Capital Partners, which he founded in 2005. He chaired Sanofi's Board of Directors from 2010 until 2023.

Serge Weinberg held various positions as a "sous-préfet" from 1976 to 1981 and became Chief of Staff of the French Budget Minister, Laurent Fabius, in 1981. From 1982 to 1987, he held management positions at French television channel France 3 and at Havas Tourisme Group. He served as CEO of Pallas Finance for three years before joining the Pinault Group in 1990 as President of CFAO. In the Pinault Group, he served as Chairman and CEO of Rexel from 1991 to 1995 and chaired the Executive Board of the PPR Group for 10 years. In 2005, he founded the investment firm Weinberg Capital Partners. He was appointed Chairman of Sanofi's Board of Directors in 2010 and remained in that role until May 2023. Serge Weinberg is also a member of the Board of the AFEP and one of the founders of the Institute for Brain and Spinal Cord Disorders (ICM) and Télémaque.

Serge Weinberg holds the rank of Commander in the "Légion d'honneur" (French Legion of Honor).

Serge Weinberg holds a bachelor's degree in Law, a graduate degree from the *Institut d'études politiques* in Paris and is a graduate of ENA (*École nationale d'administration*).

Serge Weinberg has been a Director of Kering since April 28, 2022. His term of office will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending December 31, 2025.

Serge Weinberg is Chair of the Appointments and Governance Committee and a member of the Audit and the Remuneration Committees.

He attended the nine Board meetings held in 2024 and all the meetings of the Committees on which he sits: two Appointments and Governance Committee meetings, seven Audit Committee meetings, including two held jointly with the Sustainability Committee, and four Remuneration Committee meetings, representing an overall attendance rate of 100%.

### Directorships and positions held as of December 31, 2024:

| Position | Company | Country | Start dates |
|---|---|---|---|
| Chairman | Weinberg Capital Partners | France | March 2005 |
| Chairman | Maremma SAS | France | January 2015 |
| Director | Piasa SA | France | May 2008 |
| Chairman | Sagra SAS | France | November 2018 |
| Chairman | Financière Alizé SAS | France | June 2016 |

### Directorships and positions held in the last five years, but now expired:

| Position | Company | Country | End dates |
|---|---|---|---|
| Chairman of the Board of Directors | Sanofi[1] | France | May 2023 |
| Legal manager | Alret | France | November 2023 |
| Director | C.P.P.J. SA | France | December 2023 |
| Chairman | Guetaria | France | November 2022 |

(1) Listed company (as of the date the position was held).

**Director expertise**

Risk management · Leadership · Finance and accounting · Governance · Industry · CSR Corporate social and environmental responsibility · Marketing · Technology, digital and cybersecurity · Innovation · Economics

## Giovanna Melandri

**Independent Director**
**Chair of the Sustainability Committee**

Number of shares held: 50

Born on January 28, 1962 (63 years old)
Italian and american citizen

40, rue de Sèvres
75007 Paris
France

First appointed in 2024
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2027

Giovanna Melandri, an Italian and a U.S. citizen, economist and cultural manager is an expert in ESG finance, sustainability and international relations. She is Chair and founder of Human Foundation, a research institution which promotes impact economy and finance together with social, cultural and environmental innovation. She is also founder and Global ambassador to the GSG (Global Steering Group for Impact Investment).

She is a member of the Advisory Board of Blue like and Orange Sustainable Capital.

She represented Italy in the G8 Task Force on Impact Investment (2013-2014).

From 2012 to 2022, she chaired the Italian National Museum for contemporary arts (MAXXI) which she had promoted as Minister of Culture.

Member of the Italian Parliament from 1994 to 2012, she served as Minister of Culture and Sports (1998-2001) and as Minister of Youth Policy and Sports (2006-2008).

She founded *Madre Provetta*, a research group on artificial reproduction and women's rights, and co-founded *Emily in Italy*, to empower women in institutions and business.

She began her career as an economist with research responsibilities in Montedison where she coordinated a research team on innovation and R&D (1983-1987). From 1988 to 1994, she was the international officer of Legambiente, an environmental organization, and also chaired its scientific committee. In this capacity, she participated to the Bergen Conference on Sustainable Development in 1990 and followed the Intergovernmental Panel for Climate Change (IPCC) proceedings. She chaired the Italian non-governmental delegation to the UN Rio Earth Summit in 1992.

Giovanna Melandri is the author of several publications, including the first Italian report on climate change ("*Rapporto Ambiente Italia, Mondadori*"), published in 1989. More recently she published a short essay on the Impact Economy. She is a frequent contributor to various news outlets, including *La Repubblica – Affari e Finanza*, where she holds an "Impact Economy" column.

Giovanna Melandri was awarded the title of "Officier de la Légion d'honneur" (Officer of the French Legion of Honor) by French President Jacques Chirac in 2003.

She graduated *cum laude* in Political Economy at Sapienza University of Rome.

Giovanna Melandri has been a Director of Kering since April 25, 2024. Her term of office will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending December 31, 2027.

Giovanna Melandri is Chair of the Sustainability Committee.

In 2024, from the date of her appointment, she attended the five Board meetings and the two Sustainability Committee meetings, including one held jointly with the Audit Committee, representing an overall attendance rate of 100%.

**Director expertise**

- Risk management
- Leadership
- Finance and accounting
- Governance
- Industry
- CSR — Corporate social and environmental responsibility
- Marketing
- Technology, digital and cybersecurity
- Innovation
- Economics

**Directorships and positions held as of December 31, 2024:**

| Position | Company | Country | Start dates |
|---|---|---|---|
| Chair | Human Foundation | Italy | July 2013 |
| Founder and presently Global ambassador | Global Steering Group for Impact Investment (GSG) | United Kingdom | June 2014 |
| President | Social Impact Agenda for Italy | Italy | January 2016 |
| Member of the National Advisory Board | Unicredit[1] | Italy | October 2021 |
| Member of the ESG Fund Technical Committee | Azimut Libera Impresa | Italy | January 2021 |
| Member of the Steering Committee | COIMA ESG City Impact Fund | Italy | September 2020 |
| Member of the Impact Fund Advisory Board | Investcorp-Tages | Italy | June 2021 |

(1) Listed company (as of the date the position was held).

**Directorships and positions held in the last five years, but now expired:**

| Position | Company | Country | End dates |
|---|---|---|---|
| Member of the Advisory Board | Amundi SGR S.p.A. | Italy | April 2022 |
| Member of the Sustainability Committee | Q8 | Italy | March 2023 |

## Jean-Pierre Denis

**Director**
**Climate Change Lead**

Number of shares held: 500

Born on July 12, 1960 (64 years old)
French citizen

40, rue de Sèvres
75007 Paris
France

First appointed in 2008
Term of office last renewed on April 25, 2024
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2027

Jean-Pierre Denis is an Inspector of Finance and a graduate of HEC and ENA. He served as Deputy General Secretary of the Office of the President of the French Republic from 1995 to 1997, Advisor to the Chair of *Compagnie Générale des Eaux*, which became Vivendi (1997 to 1999), Chief Executive Officer of Dalkia (Vivendi group then Veolia Environnement) (1999 to 2003) and member of the Executive Board of Vivendi Environnement, which became Veolia Environnement (2000 to 2003), Chairman of the Board of Directors of *Banque du développement des petites et moyennes entreprises* (BDPME) (2003 to 2005), Chairman and Chief Executive Officer of *Crédit Mutuel Arkéa* and of the *Fédération du Crédit Mutuel de Bretagne* until May 2021. Jean-Pierre Denis has been Vice-Chairman of the Paprec Group since October 2021.

Jean-Pierre Denis has been a Director of Kering since June 9, 2008. His term of office was renewed at the Combined General Meeting on April 25, 2016 and the Combined General Meeting on June 16, 2020 and will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending December 31, 2027. With the renewal of Jean-Pierre Denis' term of office at the Annual General Meeting of June 16, 2020, he lost his Independent Director status because he had served for over 12 years.

Jean-Pierre Denis is a member of the Audit and the Sustainability Committees and served on the Remuneration Committee until April 25, 2024.

Jean-Pierre Denis was appointed as Climate Change Lead on the Board of Directors on April 28, 2022. His role and duties are presented in section 1.5 of this chapter.

He attended the nine Board meetings held in 2024 and all meetings of the Committees of which he is/was a member: five Audit Committee meetings, two Sustainability Committee meetings, two joint meetings of the Audit and the Sustainability Committees, and two Remuneration Committee meetings in which he served until April 25, 2024, representing an overall attendance rate of 100%.

**Director expertise**

- Risk management
- Leadership
- Finance and accounting
- Governance
- Industry
- CSR — Corporate social and environmental responsibility
- Marketing
- Technology, digital and cybersecurity
- Innovation
- Economics

**Directorships and positions held as of December 31, 2024:**

| Position | Company | Country | Start dates |
|---|---|---|---|
| Director | Avril Gestion | France | December 2014 |
| Director | Paprec Holding | France | November 2010 |
| Director | Altrad Investment Authority | France | February 2024 |
| Non-voting Director (censor) | Tikehau Capital[1] | France | May 2018 |
| Representative of Keriode SAS, director | Tikehau Capital Advisors | France | February 2022 |
| Representative of Keriode SAS, member of the Supervisory Board | Vasgos | France | June 2024 |
| Chairman | Keriode SAS | France | June 2021 |
| Chairman | Château Calon-Ségur SAS | France | December 2012 |
| Chairman of the Supervisory Board | Les Terroirs de Suravenir SAS | France | September 2020 |
| Director | Caisse de Crédit Mutuel du Cap Sizun | France | May 2008 |
| Chairman | Altrad Solidarity endowment fund | France | February 2023 |
| Chairman | Confédération des métiers de l'environnement | France | May 2023 |

(1) Listed company (as of the date the position was held).

**Directorships and positions held in the last five years, but now expired:**

| Position | Company | Country | End dates |
|---|---|---|---|
| Non-voting Director (censor) | Altrad Investment Authority | France | 2024 |
| Director | JLPP Invest SAS | France | 2022 |
| Chairman | Fédération du Crédit Mutuel de Bretagne | France | 2021 |
| Chairman | Crédit Mutuel Arkéa | France | 2021 |
| Director | Nexity[1] | France | 2021 |

(1) Listed company (as of the date the position was held).

## Concetta Battaglia

**Director representing employees**

CSR

Number of shares held: 200
(including 20 via an employee investment fund)

Born on January 28, 1969 (56 years old)
Italian and British citizen

Kering
40, rue de Sèvres
75007 Paris
France

First appointed in 2020
Term of office last renewed on September 1, 2024
Term of office expires on September 1, 2028

Concetta Battaglia is Head of Operations at Kering UK Services. After joining Gucci Group in 2005 as personal assistant to the Worldwide Store Planning Director, she moved into the facilities management team before progressing to her current role. Among other responsibilities, she is responsible for the development and implementation of health and safety policies and procedures within Kering and its houses in the United Kingdom, as well as ensuring the operational implementation of the Group's ESG policies within her area of responsibility.

Before joining Kering, she worked in sales and customer services.

Concetta Battaglia, an Italian and British citizen, has lived in Switzerland and Italy and currently resides in London.

She graduated from Sapienza University of Rome, Italy, in 1996 with a degree in political science.

Concetta Battaglia was elected as the second Director representing employees by the Kering European Works Council on September 2, 2020 for a term of office of four years. Her office was renewed by that same employee representative body for a new period of four years as from September 1, 2024.

Since 2016, she has promoted and implemented robust measures to protect employees from workplace hazards and collaborates with cross-functional teams to implement sustainability programs that align with organizational objectives.

Concetta Battaglia is a member of the Appointments and Governance and the Sustainability Committees.

She attended the nine Board meetings held in 2024 and all meetings of the Committees on which she sits: two Appointments and Governance Committee meetings and four Sustainability Committee meetings, including two held jointly with the Audit Committee, representing an overall attendance rate of 100%.

Concetta Battaglia did not hold any other directorships or positions as of December 31, 2024, and has not held any other corporate office over the past five years.

**Director expertise**

Risk management
Leadership
Finance and accounting
Governance
Industry
CSR
Corporate social and environmental responsibility
Marketing
Technology, digital and cybersecurity
Innovation
Economics

## Maureen Chiquet
**Independent Director**

Number of shares held: 50

Born on March 9, 1963 (61 years old)
US citizen

Kering
40, rue de Sèvres
75007 Paris
France

First appointed on September 1, 2023
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2025

An American national, Maureen Chiquet was the first Global CEO of Chanel between 2007 and 2016, elevating the house's iconic brand and spearheading its worldwide expansion.

After graduating from Yale University with a degree in literature, Maureen Chiquet moved to Paris to begin her career in marketing at L'Oréal. She then pivoted to fashion, joining The Gap, and helping to launch and build the Old Navy brand. She was named President of Banana Republic before becoming Chief Operating Officer and President of Chanel's U.S operations in 2003. In 2007, she was appointed at the helm of Chanel as Global CEO, a position she held for nearly ten years. After leaving Chanel in 2016, she authored a book, "*Beyond The Label: Women, Leadership and Success on Our Own Terms*", which charts her career and unique perspective on women in leadership.

Maureen Chiquet chairs the Board of Directors of Golden Goose and its Diversity & Inclusion committee and also sits on its Ethics committee. She is also a Director of Canada Goose and a senior advisor to Permira. Previously she chaired the Board of Directors of La Double J and served on the boards of Credo, a clean beauty retailer, and Vivendi. She was also a Director of Yale Corporation and of the New York Academy of Art.

Maureen Chiquet was appointed as a Director of Kering effective September 1, 2023. Her appointment as an Independent Director was ratified at the Annual General Meeting on April 25, 2024. Her term of office will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending December 31, 2025.

Maureen Chiquet is a member of the Sustainability Committee.

She attended seven of the nine Board meetings held in 2024 and the four Sustainability Committee meetings, including two held jointly with the Audit Committee, representing an overall attendance rate of 85%.

### Directorships and positions held as of December 31, 2024:

| Position | Company | Country | Start dates |
|---|---|---|---|
| Non-executive chair | Golden Goose SpA | Italy | June 2020 |
| Director | Canada Goose Inc. | Canada | August 2017 |

### Directorships and positions held in the last five years, but now expired:

| Position | Company | Country | End dates |
|---|---|---|---|
| Chair of the Board of Directors | La DoubleJ SRL | Italy | May 2024 |
| Director | Eco-Chic LLC d/b/a Credo | United States | January 2024 |
| Director | MF Midco Limited | United Kingdom | April 2023 |

**Director expertise**

Risk management · Leadership · Finance and accounting · Governance · Industry · CSR Corporate social and environmental responsibility · Marketing · Technology, digital and cybersecurity · Innovation · Economics

## Yonca Dervisoglu
**Independent Director**

CSR

Number of shares held: 186

Born on October 28, 1969 (55 years old)
Turkish and British citizen

Google UK
1-13 St Giles High Street
London
WC2H 8AG
United Kingdom

First appointed in 2022
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2025

A Turkish and British national, Yonca Dervisoglu is Google's Vice President of Marketing for Europe, the Middle East and Africa. She leads the company's marketing in the region: managing teams across 35 countries, building momentum for the company's AI efforts, helping businesses of all sizes reach customers and grow, bringing Google's products to people across the region. She co-founded Google Arts & Culture (bringing the world's art and culture online so it's accessible to anyone, anywhere) and also the Grow with Google programme, which has trained more than 100 million people worldwide in digital skills.

Prior to joining Google in 2006, Yonca Dervisoglu held senior international marketing roles at Unilever, Yahoo! and the Kale group.

Yonca Dervisoglu served on the Supervisory Board of Heineken, the Digital Advisory Board of the Natural History Museum in London and the Supervisory Board of Mavi Jeans. She currently sits on the Board of EQL:Her of the Founders Forum, a solution-based organization dedicated to helping advance women in tech.

Yonca Dervisoglu has been a Director of Kering since April 28, 2022. Her term of office will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending December 31, 2025.

Yonca Dervisoglu is a member of the Appointments and Governance and the Sustainability Committees.

She attended eight of the nine Board meetings held in 2024, the two Appointments and Governance Committee meetings and three of the four Sustainability Committee meetings, including one held jointly with the Audit Committee, representing an overall attendance rate of 87%.

### Directorships and positions held as of December 31, 2024:

| Position | Company | Country | Start dates |
|---|---|---|---|
| Director | EQL:Her | United Kingdom | 2015 |

### Directorships and positions held in the last five years, but now expired:

| Position | Company | Country | End dates |
|---|---|---|---|
| Director | Mavi | Turkey | May 2022 |

**Director expertise**

Risk management · Leadership · Finance and accounting · Governance · Industry · CSR Corporate social and environmental responsibility · Marketing · Technology, digital and cybersecurity · Innovation · Economics

## Rachel Duan
**Independent Director**

Number of shares held: 100

Born on July 25, 1970 (54 years old)
Chinese citizen

40, rue de Sèvres
75007 Paris
France

First appointed in 2024
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2027

Rachel Duan is a highly seasoned business leader with exceptional international leadership experience and business acumen. Most recently, Rachel Duan served as Senior Vice President of General Electric (GE) and President & CEO of GE Global Markets where she was responsible for driving GE's growth in global emerging markets including China, India, Asia Pacific, Africa, Middle East and Latin America.

During her 25-year career at GE, Rachel Duan held several senior leadership positions including President & CEO of GE Advanced Materials China and then Asia Pacific, President & CEO of GE Healthcare China, and President & CEO of GE China. Throughout her career, she has worked and lived in the United States, Japan and China.

Rachel Duan serves on the boards of HSBC, Sanofi and Adecco Group, as an Independent Director.

A native of Shanghai, Rachel Duan holds a bachelor's degree in Economics and International Business from Shanghai International Studies University, China and an MBA from The University of Wisconsin – Madison, USA.

Rachel Duan has been a Director of Kering since April 25, 2024. Her term of office will expire at the end of the Annual General Meeting called to approve the financial statements for the year ending December 31, 2027.

Rachel Duan is a member of the Audit Committee.

In 2024, from the date of her appointment, she attended four of the five Board meetings and the four Audit Committee meetings, including one held jointly with the Sustainability Committee, representing an overall attendance rate of 89%.

### Directorships and positions held as of December 31, 2024:

| Position | Company | Country | Start dates |
|---|---|---|---|
| Director | Sanofi[1] | France | April 2020 |
| Director | HSBC[1] | United Kingdom | September 2021 |
| Director | Adecco Group AG[1] | Switzerland | April 2021 |

[1] Listed company (as of the date the position was held).

### Directorships and positions held in the last five years, but now expired:

| Position | Company | Country | End dates |
|---|---|---|---|
| Director | Axa[1] | France | December 2024 |
| President and Chief Executive Officer | GE Global Markets | China | July 2020 |

[1] Listed company (as of the date the position was held).

**Director expertise**

Risk management · Leadership · Finance and accounting · Governance · Industry · CSR Corporate social and environmental responsibility · Marketing · Technology, digital and cybersecurity · Innovation · Economics

## Financière Pinault represented by Héloïse Temple-Boyer

**Director**
**Permanent representative of Financière Pinault**

Number of shares held by Financière Pinault: 500

Born on March 22, 1978 (46 years old)
French citizen

Financière Pinault
12, rue François-1er
75008 Paris
France

First appointed in 2018
Term of office last renewed on April 22, 2021
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2024

Financière Pinault is the Pinault family holding company. In addition to luxury group Kering, Financière Pinault owns auction house Christie's, a majority shareholding in Creative Artists Agency (CAA), the leading worldwide talent agency, a number of prestigious vineyards including Château Latour, polar cruise specialist Compagnie du Ponant, the Stade Rennais Football Club, weekly magazine *Le Point*, a Franco-US technology investment fund, a vast collection of contemporary art, and numerous other assets in a variety of areas.

Héloïse Temple-Boyer has been Deputy General Manager of Artémis since January 2018. She joined Artémis in 2013 as Chief Investment Officer. Prior to that, she held the positions of Executive Assistant to the CEO and then Director of International Purchasing at Casino group. She began her career in finance, where she spent more than five years, first as an associate with Rothschild & Cie's M&A team and later as an associate with private equity firm Advent International.

Héloïse Temple-Boyer is a graduate of the *Institut d'études politiques* in Paris and ESSEC, and holds an MBA from Harvard Business School.

Financière Pinault, represented by Héloïse Temple-Boyer, was appointed as a Director of Kering on December 14, 2018 (appointment ratified at the Annual General Meeting of April 24, 2019). Its term of office was renewed by the Combined General Meeting on April 22, 2021 and will expire at the end of the Annual General Meeting called to approve the financial statements for the year ended December 31, 2024.

Financière Pinault, represented by Héloïse Temple-Boyer, is a member of the Audit, the Remuneration and the Appointments and Governance Committees.

She attended the nine Board meetings held in 2024 and all meetings of the Committees on which she sits: seven Audit Committee meetings, including two held jointly with the Sustainability Committee, four Remuneration Committee meetings, and two Appointments and Governance Committee meetings, representing an overall attendance rate of 100%.

**Director expertise**

- Risk management
- Leadership
- Finance and accounting
- Governance
- Industry
- CSR — Corporate social and environmental responsibility
- Marketing
- Technology, digital and cybersecurity
- Innovation
- Economics

### Directorships and positions held by Financière Pinault as of December 31, 2024:

| Position | Company | Country | Start dates |
|---|---|---|---|
| Director | Garuda | France | October 1998 |

### Directorships and positions held by Financière Pinault in the last five years, but now expired:

Financière Pinault has not held any other corporate office in the past five years.

### Directorships and positions held by Héloïse Temple-Boyer as of December 31, 2024:

| Position | Company | Country | Start dates |
|---|---|---|---|
| Deputy General Manager | Artémis SAS | France | January 2018 |
| Deputy Chief Executive Officer | Financière Pinault SCA | France | March 2018 |
| Chair and Chief Executive Officer | Arok International SA | France | February 2018 |
| Deputy General Manager | Artémis 28 SAS | France | January 2018 |
| Chair of the Supervisory Board | Puma SE[1] | Germany | May 2022[2] |
| Director | Creative Artists Agency LLC | United States | September 2023 |
| Director | Christie's International PLC | United Kingdom | March 2014 |
| Member of the Executive Board | Compagnie du Ponant SAS | France | December 2015 |
| Director | Giambattista Valli SAS | France | June 2017 |
| Director | Sebdo Le Point SA | France | May 2018 |
| Chair of the Supervisory Board | Royalement vôtre Editions SAS | France | December 2023[3] |
| Member of the Strategy Committee | Pinault Collection SAS (formerly Collection Pinault – Paris) | France | December 2020 |

(1) Listed company (as of the date the position was held).
(2) Her appointment as a Supervisory Board member began in April 2019.
(3) Her appointment as a Supervisory Board member began in July 2018.

### Directorships and positions held by Héloïse Temple-Boyer in the last five years, but now expired:

| Position | Company | Country | End dates |
|---|---|---|---|
| Director | Palazzo Grassi SpA | Italy | July 2023 |
| Member of the Supervisory Board | Le Point Communication | France | June 2023 |
| Chair and Chief Executive Officer | TER Obligations SA | France | February 2023 |
| Director | ACHP PLC | United Kingdom | September 2022 |
| Representative of Artémis, director | Pinault Collection SAS | France | December 2020 |

## Baudouin Prot
**Director**

Number of shares held: 600

Born on May 24, 1951 (73 years old)
French citizen

B. Prot Conseils
86, rue de Varenne
75007 Paris, France

First appointed in 1998
Term of office last renewed on April 22, 2021
Term of office expires at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2024

After graduating from HEC in 1972 and from ENA in 1976, Baudouin Prot joined the General Inspectorate of Finance where he spent four years before serving as Deputy Director of Energy and Raw Materials at the French Ministry of Industry for three years.

He joined BNP in 1983 as Deputy Director of Banque Nationale de Paris Intercontinentale, before becoming the Director for Europe in 1985. He joined the Central Networks Department in 1987 and was promoted to Central Director in 1990 then Deputy Chief Executive Officer of BNP in charge of networks in 1992. He became Chief Executive Officer of *Banque Nationale de Paris* in 1996 and Deputy Chief Executive Officer of BNP Paribas in 1999. In March 2000, he joined the Board of Directors of BNP Paribas and was then named Chief Executive Officer of the Group in May 2003, a position he held for 8 years. He served as non-executive Chairman of the Board of Directors of BNP Paribas from 2011 until 2014. Since 2015, he has been senior advisor to Boston Consulting Group and, since 2016, Chairman of the Supervisory Board of Emeria (formerly Foncia Management). In 2021, he joined Adobe's International Advisor.

He is an Officer of the French National Order of Merit and a Knight of the Legion of Honor.

Baudouin Prot has been a Director of Kering since May 19, 2005, after having served as a member of the Supervisory Board (from March 11, 1998 to May 19, 2005). His term of office was renewed by the Combined General Meeting on April 22, 2021 and will expire at the end of the Annual General Meeting called to approve the financial statements for the year ended December 31, 2024.

Baudouin Prot is a member of the Appointments and Governance Committee.

He attended the nine Board meetings held in 2024 and the two Appointments and Governance Committee meetings, representing an overall attendance rate of 100%.

### Directorships and positions held as of December 31, 2024:

| Position | Company | Country | Start dates |
|---|---|---|---|
| Chairman of the Board of Directors | Fraikin Groupe | France | September 2020 |
| Chairman of the Supervisory Board | Emeria (formerly Foncia Management) | France | March 2017 |
| Director | Alstom[1] | France | July 2018 |
| Member of the International Advisory Board | Adobe | United States | March 2021 |
| Chairman | B. Prot Conseils SAS | France | April 2015 |

(1) Listed company (as of the date the position was held).

### Directorships and positions held in the last five years, but now expired:

| Position | Company | Country | End dates |
|---|---|---|---|
| Director | Finastra | United Kingdom | August 2024 |
| Senior Advisor | Boston Consulting Group | France | December 2023 |

**Director expertise**

Risk management · Leadership · Finance and accounting · Governance · Industry · CSR Corporate social and environmental responsibility · Marketing · Technology, digital and cybersecurity · Innovation · Economics

## Vincent Schaal

**Director representing employees**

Number of shares held: 111
(including 42 via an employee investment fund)

Born on February 1, 1969 (56 years old)
French citizen

Kering
40, rue de Sèvres
75007 Paris
France

First appointed in 2022
Term of office expires on July 31, 2026

Vincent Schaal is Head of Infrastructure at Kering Technologies. He started his career with Renault in 1994, where he worked as a network & telecoms engineer. He subsequently moved to Carrefour as Network Global Manager in 1997. He joined the PPR group in 1999, again as Network Global Manager, before gaining promotion to his current role of Head of Infrastructure at the Kering group.

Vincent Schaal, a French citizen, graduated from the *École nationale supérieure de physique* in Strasbourg (National Physics Graduate School of Strasbourg)and holds a postgraduate DEA degree in photonics.

Vincent Schaal was elected as a Director representing employees by Kering's Social and Economic Committee at its meeting on June 22, 2022, serving for a four-year term starting on August 1, 2022.

Vincent Schaal is a member of the Remuneration Committee.

He attended the nine Board meetings held in 2024 and the four Remuneration Committee meetings, representing an overall attendance rate of 100%.

Vincent Schaal did not hold any other directorships or positions as of December 31, 2024, and has not held any other corporate office over the past five years.

**Director expertise**

- Risk management
- Leadership
- Finance and accounting
- Governance
- Industry
- CSR — Corporate social and environmental responsibility
- Marketing
- Technology, digital and cybersecurity
- Innovation
- Economics

# 2.2 Changes in the composition of the Board of Directors

## 2.2.1 Changes in the membership of the Board of Directors and Committees in 2024

| | Departure | Appointment | Reappointment |
|---|---|---|---|
| **Board of Directors** | *January 9, 2024:*<br>Tidjane Thiam<br>*April 25, 2024:*<br>Emma Watson | *April 25, 2024:*<br>Maureen Chiquet[(1)]<br>Dominique D'Hinnin<br>Rachel Duan<br>Giovanna Melandri | *April 25, 2024*:<br>Jean-Pierre Denis<br>*September 1, 2024:*<br>Concetta Battaglia[(2)] |
| **Audit Committee** | *January 9, 2024:*<br>Tidjane Thiam | *April 25, 2024:*<br>Dominique D'Hinnin<br>Rachel Duan | *April 25, 2024:*<br>Jean-Pierre Denis |
| **Remuneration Committee** | *January 9, 2024:*<br>Tidjane Thiam<br>*April 25, 2024:*<br>Jean-Pierre Denis | *April 25, 2024:*<br>Dominique D'Hinnin | – |
| **Appointments and Governance Committee** | – | – | – |
| **Sustainability Committee** | *April 25, 2024:*<br>Emma Watson | *April 25, 2024:*<br>Giovanna Melandri | *April 25, 2024:*<br>Jean-Pierre Denis |

(1) Ratification by the Annual General Meeting on April 25, 2024, of the Board of Directors' decision to coopt Maureen Chiquet as a director on July 18, 2023, with effect from September 1, 2023.

(2) The European Works Council reappointed Concetta Battaglia as a director representing employees effective September 1, 2024, for a further four-year period expiring on September 1, 2028.

## 2.2.2 Directors to be proposed for reappointment at the Annual General Meeting of April 24, 2025

The terms of office as directors of François-Henri Pinault, Kering's Chairman and Chief Executive Officer, of Financière Pinault, represented by Héloïse Temple-Boyer, and of Baudouin Prot, expire at the end of the Annual General Meeting of April 24, 2025.

Based on the latest trends in its composition, with seven independent directors having joined in the past three years, the Board of Directors decided on March 4, 2025, on the recommendation of the Appointments and Governance Committee, not to propose any new appointments at the Annual General Meeting of April 24, 2025, and to submit for its approval the reappointment of the three directorships coming to an end, for a further term of four years and expiring at the end of the Annual General Meeting to be held in 2029.

- Should François-Henri Pinault's term of office as a director be renewed, the Board of Directors plans to reappoint him as Chairman of the Board of Directors and Chief Executive Officer of Kering. This governance framework, which is well-suited to the Group's ownership structure, with Artémis its core shareholder, remains the most appropriate for addressing the current operational exigencies amid the major challenges facing the luxury sector. This structure, built around measures safeguarding a balance of power, facilitates the formulation of major strategic priorities by the Board, while enhancing responsiveness and agility in the daily management of the Group.

  François-Henri Pinault, who has led Kering since 2005, has overseen the Group's transformation into a global luxury leader. He has constructed a portfolio of flagship houses with a complementary positioning that spans the main market segments. In addition, he has prioritized the drive for organic growth, supported by an integrated group model, and has made sustainability a core pillar of his strategy, putting Kering at the vanguard of this movement. Between 2013, the year when PPR changed its name to Kering, and 2024, revenue from luxury businesses grew close to threefold and by over fourfold in jewelry. Mr. Pinault also expanded the Group's business into two adjacent segments, namely eyewear and, most recently, beauty, which now generate revenue approchading €2 billion and a high level of profitability. Over the past four years (2021–2024), his overall attendance rate, including his participation at meetings of the Board and of the Sustainability Committee, of which he is a member, has been 100%.
- Financière Pinault has been a member of the Board of Directors since 2018. Aside from Kering, it owns the Christie's auction house, a prestigious portfolio of vineyards, the Courrèges French fashion house and CAA (Creative Artists Agency), the world's leading talent agency. It is represented on the Board of Directors by Héloïse Temple-Boyer, its Deputy Chief Executive Officer. Before joining Artémis (Kering's holding company) as Chief Investment Officer, Héloïse Temple-Boyer held strategic roles at the Casino group, after having worked in M&A at Rothschild & Cie and in private equity at the Advent fund. Her role at Financière Pinault, along with her board memberships at companies such as Christie's, CAA, Giambattista Valli, and Compagnie du Ponant, provides her with in-depth knowledge of the luxury sector. She also provides the Board of Directors with the benefit of management skills and her expertise in finance, mergers & acquisitions and risk management.

Financière Pinault, represented by Héloïse Temple-Boyer, is a member of three of the Board's four Committees – the Audit, the Remuneration and the Appointments and Governance Committees. Over the past four years (2021–2024), her overall attendance rate, including her participation at meetings of the Board and of the three Committees, of which she is a member, has been 100%.

- Baudouin Prot has been a director of Kering since 2005 (still known as PPR at that time), after joining the Supervisory Board in 1998. He possesses a wealth of knowledge about the Group and its history. This Board experience gives him a deep understanding of the sector and the challenges it faces. As a former Chairman of BNP Paribas, he brings to the Board of Directors his experience and his strategic vision as a senior executive of a major international group and his impressive financial expertise. As a member of the Appointments and Governance Committee since 2005 and a director of large groups, he is well versed in corporate governance. Over the past four years (2021–2024), his overall attendance rate, including his participation at meetings of the Board and of the Appointments and Governance Committee, of which he is a member, has been 94%.

The biographical details and skills of these three directors are presented in section 2.1 above.

If the Annual General Meeting approves the corresponding resolutions, the Board of Directors' composition will be identical to as of March 4, 2025 (presented in section 2.1 above), with 13 directors, 11 of whom were appointed by the Annual General Meeting and two of whom represent employees and were chosen by the employee representative bodies. The proportion of independent directors will remain at 64%, and the proportion of women at 55%. These figures were calculated in accordance with the recommendations of the AFEP-MEDEF Code, excluding directors representing employees. Six nationalities will be represented: American, British, Chinese, French, Italian and Turkish.

## 2.3 Guiding principles for the composition of the Board of Directors

### 2.3.1 Diversity policy applied to the Board of Directors

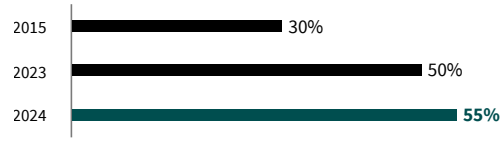
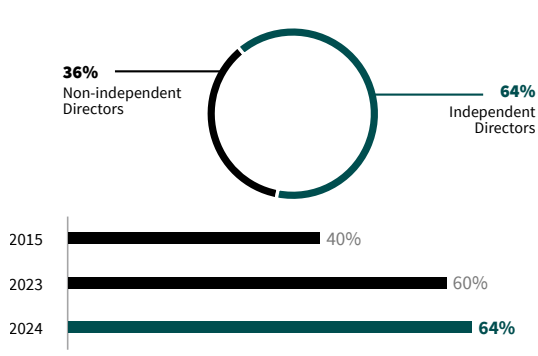
The Board of Directors regularly reflects upon the desirable balance of its composition and that of its Committees, particularly from a diversity perspective.

The diversity policy applied to the Board of Directors aims to achieve a mix of complementary profiles, careers and experience among its members, so they bring a variety of different perspectives and points of view, enriching the Board's discussions and ensuring a high quality of decision-making. A Board with a diverse composition is in the best position to fulfill its duties with the requisite independence, objectivity and critical thinking.

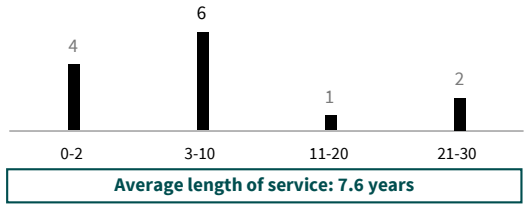
In particular, the Board of Directors is careful to make sure its members possess the most effective skills and expertise for addressing the Group's strategic challenges and priorities. It endeavors to maintain a balanced composition in terms of the Board's gender, independence, age, length of service, nationality and cultural background.

Pursuant to Article L. 22-10-10 of the French Commercial Code and the recommendations of the AFEP-MEDEF Code, the table below describes the diversity policy applied to members of the Board of Directors. It indicates the criteria taken into consideration, the objectives set by the Board, the measures implemented and the results achieved during 2024. The following information is presented as of December 31, 2024.

## Diversity policy applied to the Board of Directors

| Criteria | Objectives | Measures implemented and results achieved in 2024 |
|---|---|---|
| **Balanced representation of women and men on the Board** | Conformity with the Copé-Zimmermann Law, which requires each gender to account for at least 40% of Directors<br>Drive to maintain gender balance within the Board | **Proportion of women**[(1)]<br>  <br><br>In 2024, two new independent directors joined the Board of Directors, namely Rachel Duan and Giovanna Melandri. Following on from these appointments, which the Annual General Meeting made on April 25, the proportion of women on the Board of Directors was 55% as of December 31, 2024 |
| **Professional qualifications and experience** | Complementary nature and diversity of profiles in terms of professional expertise and experience, both in terms of positions held and sector of activity | In 2024, the Board of Directors broadened its expertise and skills as Rachel Duan, Giovanna Melandri and Dominique D'Hinnin joined:<br>• Rachel Duan brings to the Board her in-depth knowledge of Asia's economic and social environment, plus her international executive experience;<br>• Giovanna Melandri brings to the Board of Directors her expertise in sustainability, in social rights and in sustainable finance and economics;<br>• Dominique D'Hinnin brings to the Board of Directors his proven track record in senior management positions, his financial expertise and his corporate governance experience.<br>As of December 31, 2024, directors' expertise covers the ten priority skills identified by the Board of Directors in relation to the Group's strategic challenges and priorities. Each director's areas of expertise are presented in the skills matrix shown in section 2.3.3 below |
| **International diversity** | Nurture a diverse mix of nationalities and international experience to replicate as far as possible the geographical diversity of the Group's activities | To broaden the Board's international profile in line with the desire stated by the directors in the course of the formal assessment of the functioning of the Board and its Committees that was conducted in 2023, especially given the geographical exposure of the Group's operations, the Board of Directors proposed the appointment of Rachel Duan, a Chinese citizen, and Giovanna Melandri, an Italian and US citizen, at the Annual General Meeting of April 25, 2024. Following these appointments, six nationalities are now represented on the Board: American, British, Chinese, French, Italian and Turkish<br>In addition, the directors have significant international experience and exposure, as they hold, or have held, positions or directorships in international companies or key positions outside France |
| **Director independence** | At least one-third independent members, in line with the AFEP-MEDEF Code's recommendation for controlled listed companies | **Degree of independence of the Board of Directors**[(1)]<br>  <br> |

(1) Percentage not counting Directors representing employees, in accordance with Article L. 225-27 of the French Commercial Code and the recommendations of the AFEP-MEDEF Code.

| Criteria | Objectives | Measures implemented and results achieved in 2024 |
|---|---|---|
| **Age profile of the Board of Directors** | Diverse age profile of Directors to be maintained<br>No more than one third of members over 70 (Article 10 of the articles of Association) | Directors are aged between 46 and 74, with an average age of 61.<br>Of them, 39% are aged between 45 and 59 years old, 46% between 60 and 70 years old and 15% are over 70 years old. |
| **Average length of service on the Board** | Drive to maintain a balance between Directors with in-depth, long-standing knowledge of the Group and newly appointed Directors, who bring a fresh perspective on the Group |  |
| **Directors representing employees** | Conformity with the obligation to appoint two Directors representing employees | Since 2014, one director representing employees has been appointed by Kering's Social and Economic Committee.<br>In 2020, the appointment of a second director representing employees by the European Works Council, in compliance with the Company's articles of Association and the requirements of France's PACTE law. In 2024, Concetta Battaglia's term of office as director representing employees since September 2, 2020, was renewed by the European Works Council for a further four years until September 1, 2028. |

## 2.3.2 Director independence

In accordance with the recommendations of the AFEP-MEDEF Code, independent director status is reviewed by the Appointments and Governance Committee and ratified by the Board of Directors when a new director is appointed and, in any event, every year for all members of the Board of Directors.

For the purpose of assessing whether a director can be classified as independent and avoiding possible risks of conflicts of interest, the Board applies as an analytical framework the criteria defined in the AFEP-MEDEF Code, which states that a director is considered to be independent if they satisfy all the following independence criteria. They must not:

- Be an employee or executive corporate officer of the Company, or have been in such a position in the past five years;
- Be an employee, executive corporate officer or director of the Company's parent company or of a company that the latter consolidates, or have been in such a position in the past five years;
- Be an executive corporate officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or a corporate officer of the Company (currently in office or having held office within the past five years) is a director;
- Be a significant customer, supplier, investment banker or commercial banker of the Company or the Group, or for which the Company or the Group represents a significant portion of the activity;
- Have any close family ties with a corporate officer;
- Have been the auditor of the Company within the past five years;
- Have been a director of the Company for more than twelve years, the maximum period for which a director is considered independent.

In reviewing independence with regard to the direct or indirect business relationship criteria, an additional quantitative and qualitative analysis is performed, if necessary, in order to determine the independence of individual directors where any such business relationship exists.

In early 2025, further to a review by the Appointments and Governance Committee, the Board of Directors meticulously analyzed – along with all other criteria – any business relationships between the Kering group and the entities or groups in which each director holds a directorship or exercises their executive responsibilities. Based on the Board's analysis, other than Serge Weinberg and Yonca Dervisoglu, none of the directors and none of the entities or groups in which they hold a directorship or executive responsibilities have a business relationship with the Company, its group or its management team. The relevant directors did not take part in discussions or the vote concerning their own position.

The Board of Directors conducted a quantitative and qualitative review of Serge Weinberg's status. The Group has invested in investment funds managed by Weinberg Capital Partners, the asset management company Mr. Weinberg founded and chairs. The Appointments and Governance Committee noted that the management fees paid by Kering in relation to assets managed by Weinberg Capital Partners amounted to €825,068 in 2024, or 3.7% of Weinberg Capital Partners' revenue. This figure is above the 1% materiality threshold set by the Board of Directors as a guideline. Upon review, the Board determined that there is no economic dependence or exclusivity between Weinberg Capital Partners and Kering. It further noted that (i) the amount of assets managed on Kering's behalf by the various investment funds referred to above is likely to decrease in the near future, automatically reducing the fees paid by Kering to Weinberg Capital Partners, (ii) the management fees paid by Kering represent 0.005% of its revenue, and (iii) investments in these funds account for 1.3% of the Group's investments. In addition to this quantitative analysis, the Appointments and Governance Committee, followed by the Board of Directors, conducted an in-depth assessment of this director's engagement and independence of judgment. Based on his contributions and positions expressed during discussions with management and Board deliberations, they found that Mr. Serge Weinberg actively contributed to the Board's work, both in shaping the Group's strategic direction and in fulfilling its oversight role over executive management.

Accordingly, the Board of Directors concluded that Serge Weinberg can be considered as an independent director.

The Board of Directors conducted a quantitative and qualitative review regarding the status of Yonca Dervisoglu, Vice-President, Marketing at Google for the EMEA region, and of business relations between Google and Kering in 2024.

Global business between these two companies for all activities and for each of the parties lies well below the 1% materiality threshold set by the Board of Directors, and is not likely to influence the way Ms. Dervisoglu votes at the Board's meetings. Furthermore, Ms. Dervisoglu does not herself have any business connections and is not a member of any governance body capable of giving rise to a conflict of interest. For these reasons, the Board of Directors considers Yonca Dervisoglu to be an independent director.

This analysis came to the conclusion that the 2024 assessment remains valid.

Accordingly, as of March 4, 2025, the Board of Directors seven of the Board of Directors' 11 members are considered as independent directors, not counting both the directors representing employees as per the recommendations of the AFEP-MEDEF Code. The independence ratio thus stands at 64%. It is important to note that for companies with a controlling shareholder, such as Kering, the AFEP-MEDEF Code recommends that "at least one-third" of directors should be independent.

The following table shows the status of each director as of March 4, 2025, based on the AFEP-MEDEF Code's independence criteria. Note that "✓" represents an independence criterion that has been met and "x" an independence criterion that has not been met:

| | Not an employee or executive corporate officer | No cross-directorships | No material business relationships | No close family ties with a corporate officer | Not a Statutory Auditor | Term of office of less than 12 years | No variable compensation paid in cash or in shares or linked to Kering's performance | Not a representative of a major shareholder |
|---|---|---|---|---|---|---|---|---|
| François-Henri Pinault | x | ✓ | ✓ | ✓ | ✓ | x | x | x |
| Concetta Battaglia[1] | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Maureen Chiquet | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Yonca Dervisoglu | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Jean-Pierre Denis | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ |
| Dominique D'Hinnin | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Rachel Duan | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Financière Pinault, represented by Héloïse Temple-Boyer | **x** | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x |
| Giovanna Melandri | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Baudouin Prot | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ |
| Vincent Schaal[1] | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Véronique Weill | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Serge Weinberg | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

[1] Director representing employees.

## 2.3.3 Skills and expertise of the directors

Other than ability to act in the interest of all shareholders and, more generally, all of the Company's stakeholders, the directors are also chosen for their skills and expertise and their insights into the Group's strategic challenges. Accordingly, the members of the Board of Directors possess a wide and diverse mix of experience, are renowned for their first-class career achievements and endowed with the relevant skills to guide and support the Group in the development and execution of all dimensions of its strategy.

### Main skills required

**Risk management**
Prior roles demonstrating advanced proficiency in managing business risks

**Leadership**
Significant influence in the public/professional domain

**Finance and accounting**
Experience in corporate finance, M&A or market finance gained in career

**Governance**
Experience in executive management positions or as a director of major listed groups or world-class groups

**Industry**
Solid expertise and/or experience of the luxury, fashion or beauty sectors, in-depth knowledge of the Group's competitive environment

**Corporate social and environmental responsibility**
Experience in managing environmental or social challenges in the course of their career, major public commitment in these areas

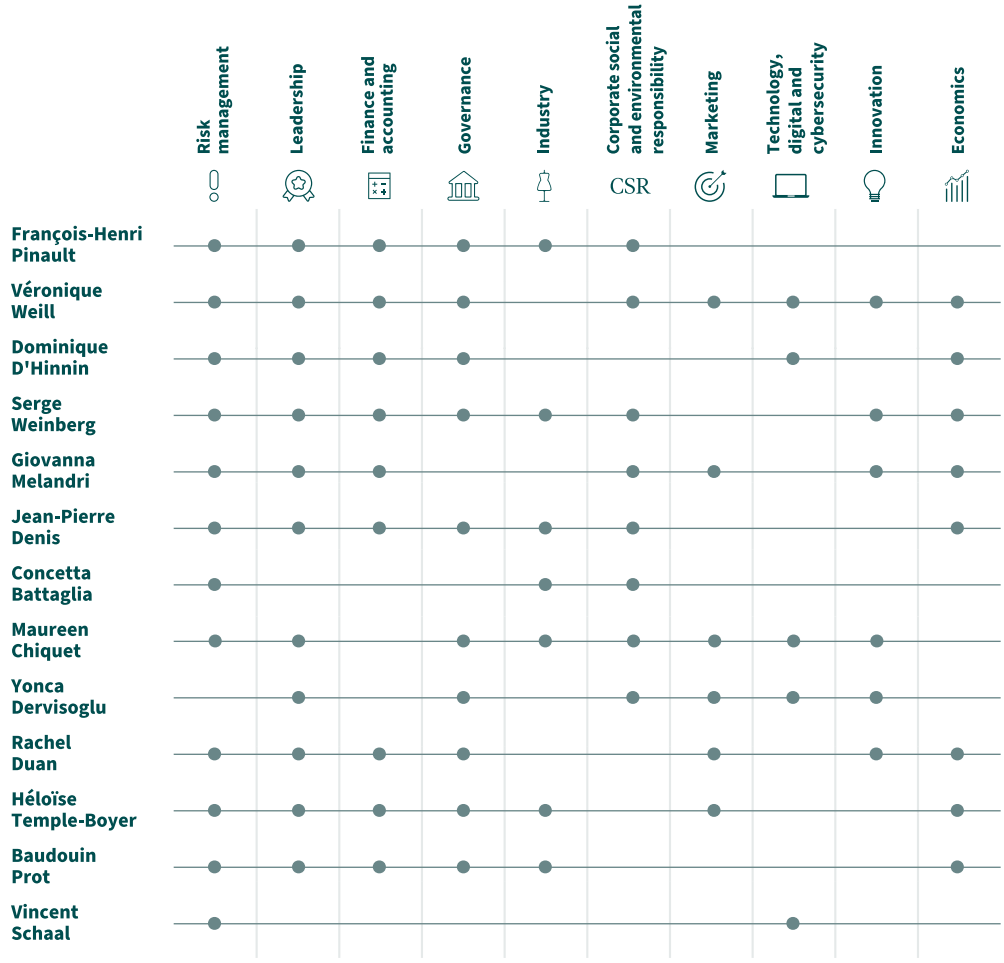
**Marketing**
Expertise in marketing acquired through training or in the course of their career

**Technology, digital and cybersecurity**
Experience in new technologies or digital or in companies with a strong technological and/or digital dimension

**Innovation**
Technical or managerial experience in innovation or R&D roles or in companies with a strong innovation or R&D dimension

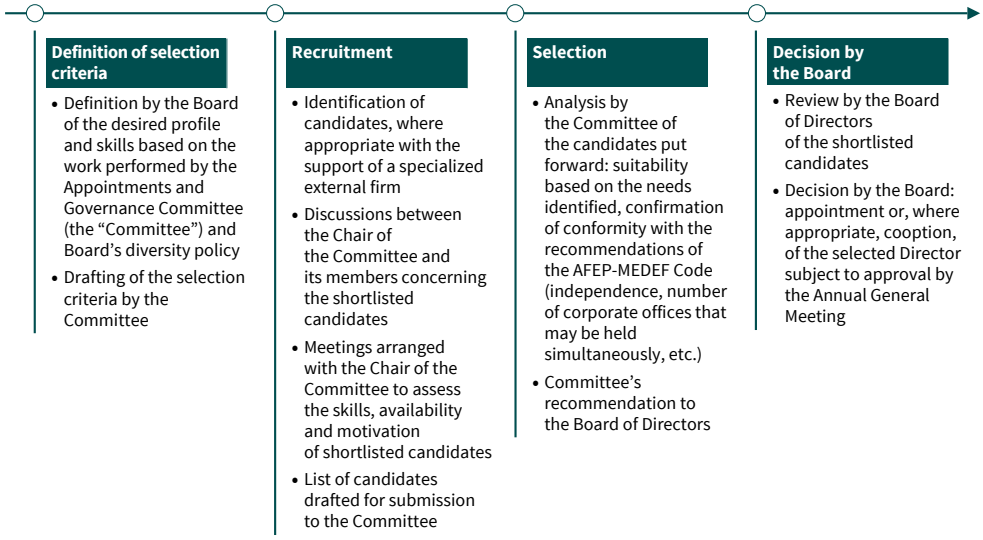
**Economics**
Expertise in economics, gained either through training or in the course of their career

## Skills matrix for members of the Board of Directors




| | Risk management | Leadership | Finance and accounting | Governance | Industry | Corporate social and environmental responsibility | Marketing | Technology, digital and cybersecurity | Innovation | Economics |
|---|---|---|---|---|---|---|---|---|---|---|
| Number of Directors | 12 | 11 | 9 | 10 | 7 | 8 | 6 | 5 | 6 | 8 |
| Percentage of Directors | 92% | 85% | 69% | 77% | 54% | 62% | 46% | 38% | 46% | 62% |

## 2.3.4 Selection process for directors




The Board of Directors pays particular attention to always achieving an optimal composition in line with its diversity policy (as presented above) when selecting new members.

The Board of Directors regularly considers desirable changes in its composition over the short- to medium-term, drawing on the work undertaken by the Appointments and Governance Committee. Prior to every reappointment of a director, when a director leaves office and, more generally, when the Board of Directors intends to increase its size or modify its composition, the Appointments and Governance Committee reviews the composition of the Board and its Committees and assesses the requirements in terms of skills, experience and profile diversity.

In accordance with the recommendations of the AFEP-MEDEF Code, the Appointments and Governance Committee introduced a director selection procedure. It applies to all Board members, other than the directors representing employees who are chosen by the Social and Economic Committee or the European Works Council pursuant to Article 10 of the Company's articles of Association and in line with the relevant statutory provisions.

With the support of the Appointments and Governance Committee, the Board of Directors lays down the types of profile and skills it is looking for, giving consideration to the findings of the annual internal assessment of the Board. During this process, the directors are asked to give their opinion on the composition of the Board and any needs that have come to their attention. Also taken into account are the conclusions of the external assessment carried out at least once every three years, whereby an independent external consultant is entrusted with mapping the skills and expertise and identifying any potential requirements. Investor expectations and observations stated during the shareholder dialogue, recommendations from the market authorities and best practices are also taken into account.

The Appointments and Governance Committee draws up the selection criteria for new directors based on the wishes stated by the Board and in view of the diversity policy concerning its composition. Under the Committee Chairman's oversight, in some cases with the support of an external executive search firm, it leads the recruitment process.

The shortlisted candidates meet with the Chair of the Appointments and Governance Committee. During these conversations, the candidate's career achievements, motivations and availability are discussed at length.

A list of candidates is then put forward to the Appointments and Governance Committee, which analyzes the experience, professional and personal attributes and talents of each candidate given the requirements identified and the diversity policy applied to the Board of Directors (international diversity, balanced representation of women and men, skills and expertise, age profile, etc.). The candidates' skills are assessed based on factors, such as training, career and professional accomplishments. The Committee also confirms the suitability of the candidate profiles selected in view of the recommendations of the AFEP-MEDEF Code concerning the Board's composition (independence, number of corporate offices that may be held simultaneously, etc.). Following this analysis, the Committee formulates a recommendation for the Board of Directors.

The Board reviews the various shortlisted applications and decides, on a case-by-case basis whether to coopt the candidate, with any such decision being subject to ratification by the Annual General Meeting, or to propose their appointment at the Annual General Meeting.

# 3 - CONDITIONS OF PREPARATION AND ORGANIZATION OF THE WORK OF THE BOARD OF DIRECTORS

## 3.1 Duties of the Board of Directors

### 3.1.1 Role and duties of the Board of Directors

The Board of Directors performs the duties and exercises the powers granted to it by law and the Company's articles of Association.

It determines and assesses the priorities, objectives and performance of the Company and makes sure they are implemented by Executive Management, in line with the Company's interest, with consideration given to the social and environmental issues linked to its activities.

Subject to the powers expressly granted to Annual General Meetings and within the limits of the corporate purpose, the Board reviews all issues concerning the smooth running of the Company and acts on all matters over which it has authority. It carries out the controls and verifications it deems appropriate.

In compliance with AMF recommendation No 2012-05, the Board has adopted internal guidelines on the identification, control and evaluation of related-party agreements and agreements entered into in the ordinary course of business and at arm's length to ensure that agreements entered into in the ordinary course of business and at arm's length actually meet the requisite criteria, in accordance with Article L. 22-10-12 of the French Commercial Code.

In addition to reiterating the regulations applicable to the identification and classification of related-party agreements and agreements entered into in the ordinary course of business and at arm's length (notably by the Company's Legal Department, with the assistance of the Finance Department), the guidelines also provide for the regular control and evaluation of such agreements by the Audit Committee and the Board of Directors. Anyone directly or indirectly involved in an agreement cannot participate in its evaluation.

### 3.1.2 Board's commitment to non-financial performance

The Board of Directors determines the strategic direction of the Company and ensures it is pursued in accordance with its corporate purpose, taking into account the social and environmental challenges of its business.

The four specialized Board Committees play a role in formulating and monitoring the non-financial strategy. Each operates within its respective area of expertise, while coordinating their activities to provide a cross-disciplinary approach to these issues. In accordance with the internal rules of the Board of Directors, last updated on December 3, 2024, the role of each of the four Committees on sustainability matters is as follows:

- The **Audit Committee** oversees the process of preparing and checking sustainability information, in addition to accounting and financial information. It monitors the Group's risk map, including sustainability risks, and ensures that the Group's internal control and risk management systems are appropriate and effective;
- The **Sustainability Committee** assists the Board of Directors in overseeing sustainability matters. It takes part in defining the Group's sustainability strategy, including in relation to decarbonization, climate change and biodiversity, and monitors its implementation. It ensures that sustainability issues, risks and opportunities are taken into account in the preparation and implementation of the Group's strategy;
- The **Remuneration Committee** makes sure that sustainability targets aligned with the Group's commitments are factored into the variable remuneration of the Company's executive corporate officers. It assesses the achievement of those targets in view of practical initiatives and achievements;
- The **Appointments and Governance Committee** discusses governance matters related to the composition and functioning of the Board of Directors. In particular, it ensures that social and environmental expertise has sufficient representation within the Board. It monitors management succession plans and the gender diversity policy applied to the senior management bodies. It also examines the Group's human resources policies.

To help ensure that sustainability matters are included in the Board's work, joint meetings of the Audit and Sustainability Committees have been established. The first two such joint meetings took place in 2024, and the initiative aims to encourage joint discussion of matters relating to both Committees – particularly sustainability impacts, risks and opportunities and the Group's sustainability information – using a multi-dimensional approach. During these meetings held in 2024, both Committees were involved in preparing the Group's sustainability report (for further details, please see the presentation of the work performed by the Audit Committee during 2024 in section 3.4.2 below).

Minutes of each Committee meeting are provided to the Board of Directors, ensuring that the Board receives information and maintains a regular dialogue concerning the non-financial issues studied by the Committee. Board meetings may also include a separate agenda point to discuss certain issues.

In addition, the Board of Directors has introduced two positions held by its members who have been given a specific ESG (environmental, social, governance) remit to ensure greater consideration of these issues in the Board's work:

- the Climate Change Lead, whose role and duties are described in section 1.5 of this chapter, ensures climate issues are addressed by the Board of Directors as part of a long-term approach;
- the Lead Independent Director, whose role and duties are described in section 1.4 of this chapter, represents the Board, in coordination with the Chairman of the Board, in its dealings with investors concerning environmental, social and governance (ESG) matters and reports investors' concerns and observations in this area to the Board. Véronique Weill has held this role since 2022, and her membership of the four specialized Board Committees ensures these issues are a factor in all the work undertaken by the Board of Directors and its Committees.

In addition, Kering set up in 2022 a department focused on Sustainable Finance. Its mission includes:

- overseeing non-financial performance (social and environmental), which helps with financial planning relating to energy transition and the decarbonization of the Group's business;
- ensuring that the Group complies with the current and future non-financial reporting and green finance regulatory framework; and
- Ensuring that social and environmental issues are addressed in the Group's management and decision-making processes, particularly regarding investments and M&A.

Its work has helped to enhance the quality and level of granularity of the Group's non-financial data and feeds into the non-financial information provided to the Board of Directors, thereby enriching its discussions.

### 3.1.3 Gender diversity policy applied to the Group's senior management bodies

On the recommendation of Executive Management, the Board sets gender equality targets for the Group's senior management bodies under the Group's Inclusion and Diversity policy. The diversity principles applied to the composition of the Board of Directors also apply right across the Group, leading to a gender balance policy for senior management bodies. Pursuant to this policy, as of the date of this report on corporate governance, six of the Executive Committee's 13 members are women.

The establishment in 2019 of a Diversity and Inclusion Department marked a new milestone in Kering's commitment to accelerating and expanding its actions in support of diversity, equality and inclusion. In addition, in line with the Group's 2025 sustainability strategy, a diversity in the workforce criterion, with a particular emphasis on achieving parity between men and women, is incorporated in the process of determining the annual and long-term variable remuneration of the Group's executive corporate officers. These criteria are described in section 5 of this chapter.

Alongside its commitment to social responsibility, the Group believes that diversity and inclusion are a source of creativity and innovation and as such of economic performance. This is why Kering makes every effort to establish an inclusive culture at all levels of the organization.

Kering has defined and put in place an action plan to achieve a balanced gender mix – by 2025 – especially within the Group's senior management bodies (Top 450 roles). This will notably involve:

- promoting equality in recruitment processes by introducing training on unconscious bias at the highest echelons;
- measuring the representation of women in talent pools and succession plans;
- monitoring promotions within the Group by gender and management level;
- measuring gender parity at each management level on a quarterly basis in all the Group's houses using key indicators;
- skills development via dedicated programs, such as leadership training and mentoring to support talented women (for example, the EVE program - see section 3.1.4.1 in chapter 4 of this Universal Registration Document);
- implementing a global parental policy;
- the analysis of the Gender Listening Index introduced as part of the annual Kering Employees Listening Survey to gain a better understanding of the expectations and feelings of female employees and to take practical steps to improve employee experience within the Group;
- deployment of the Women in Luxury (WIL) internal network to promote gender equality.

As of December 31, 2024, women held 45% of Top 450 roles.

## 3.2 Functioning of the Board of Directors

The operating rules and procedures of the Board of Directors are defined by law and the Company's articles of Association, along with the internal rules of the Board.

The internal rules are revised on a regular basis to bring them into line with changes in governance rules and practices and are available in full for download from the Company's website.

The Board's internal rules were last updated on December 3, 2024, to:

- amend the duties of the Audit Committee, in particular with regard to the transposition of the European Corporate Sustainability Reporting Directive ("CSRD") and, more generally, to pinpoint the role of each Committee in sustainability matters;
- reflect established governance practices, by incorporating the position of Climate Change Lead and setting out the principles for the composition of the Board of Directors (diversity policy and independence of its members), the composition of the Committees, the functioning of the Board and the ethical standards expected of directors.

### 3.2.1 Length and staggering of terms of office

The directors are appointed by the Annual General Meeting of the shareholders for a renewable four-year term of office.

In order to avoid reappointing the entire Board simultaneously and to facilitate a smooth renewal process, shareholders at the Combined General Meeting held on May 7, 2009, adopted an amendment to Article 10 of the Company's articles of Association staggering appointments of directors over time.

Accordingly, three directors' terms of office will come to an end in 2024, four in 2026 and five in 2028.

Note that directors representing employees are chosen, pursuant to Article 10 of the Company's articles of Association and in line with the relevant statutory provisions, by the Social and Economic Committee or the European Works Council for a four-year term of office.

## 3.2.2 Meetings

The Board of Directors meets when convened by its Chairman, as frequently as the Company's interests require and at least four times per year, using telecommunications technology where appropriate, in accordance with the Board's internal rules. In 2024, the Board of Directors met nine times.

In addition, all directors are entitled to attend specific meetings of Committees of which they are not a member if they so wish, but without voting rights.

## 3.2.3 Executive sessions

In accordance with the internal rules of the Board of Directors, an executive session – a meeting of the directors with no executive corporate officer or any other management team member present – should be organized at least once a year by the Lead Independent Director. This format gives non-executive directors an opportunity to discuss the functioning and composition of the Board of Directors, the Group's strategy and performance, Executive Management's performance and remuneration, and, more generally, any other business they wish to address. The Board of Directors unanimously considers this to be a best corporate governance practice.

In 2024, one executive session was organized and coordinated by the Lead Independent Director on December 3. During the event, the non-executive directors attended expert-led training on the rights and duties of a director, with a focus on the issues related to the stock market. On February 10, 2025, a new executive session was held, during which the Lead Independent Director presented the results of the internal assessment of the Board of Directors and its Committees conducted earlier in the year. This session gave the directors the opportunity to review the assessment results and discuss the identified priority areas for improvement (for more information this assessment, please see section 3.3 below).

## 3.2.4 Information provided to directors

To allow directors to prepare as effectively as possible for the matters to be considered at a meeting, a comprehensive board pack is sent to them in due time ahead of the meeting; it includes the necessary information on all items on the agenda and draft minutes of the previous meeting.

The directors can take up matters with Executive Management at any time and with complete transparency, and Executive Management keeps the directors regularly informed of all important events concerning the Company's business affairs. They also regularly contact the Group's senior executives, who take part at the strategic seminars and other meetings of the Board of Directors and Committees, according to the items on the agenda and the Group's latest developments.

Each director is also entitled, upon request, to meet with the Group's and the houses' senior executives outside Board meetings in order to gain a better insight into the Group's businesses or certain operational issues.

The Board of Directors may retain external advisors or consultants to obtain an independent expert opinion on any topics presented to it by the Company.

For the purpose of discharging their duties, the Committees may also bring in specialists from outside the Company, at the latter's expense, and hear from any other individuals, if they so deem fit.

Throughout the year, directors are sent a daily press review focused on Kering and its competitive environment, plus regular briefings on financial analysts' reports. A weekly press review focused on the strategic aspects of the Group's activities is also made available to them.

## 3.2.5 Director induction and training

Special attention is paid to directors' induction and training.

When they join the Board of Directors, new directors follow an induction program familiarizing them with the Group's activities, strategic challenges and priorities, its internal organization, its culture and the culture of its houses, and its governance. To help achieve this goal:

- they are given a welcome pack containing the requisite documents to understand the Group's business activities, the Board's internal rules, the stock market code of conduct and conflicts of interest prevention rules, the articles of Association, the minutes of meetings over the past five years of the Board and of the specialized Committees of which they are members; and
- individual meetings are arranged with the Chairman and Chief Executive Officer, the Lead Independent Director and the senior executives of the Group and its houses.

Throughout their term of office, directors may receive training tailored to their specific needs within the Board, should they deem it necessary. Training specially designed for directors representing employees is also arranged. These internal and external training sessions are arranged and paid for solely by the Company.

In 2024, the directors were given training by an external expert during the executive session event on December 3, 2024, on the duties and rights of their office, with a special focus on their stock market obligations. In 2023, a special climate training session was organized on May 4, 2023, in line with the wishes stated by directors during the internal assessment of the Board of Directors and the Committees carried out in late 2022.

Further training on sustainability issues and the impacts of the European CSRD has been scheduled for 2025.

### 3.2.6 Ethics of Directors

Directors must act in the interest of the Company at all times.

Directors are expected to attend meetings and be fully committed to the work of the Board and its Committees. They should attend the Annual General Meeting of the shareholders.

Every director (it being specified for all relevant purposes that no distinction is made between an individual director and the permanent representative of a legal-entity director) is bound by a confidentiality obligation with regard to information not in the public domain to which they are privy in the course of their duties. This same confidentiality obligation shall apply to any person invited to attend meetings of the Board and/or its Committees. It goes beyond the mere duty of discretion provided for in Article L. 225-37 of the French Commercial Code and a general obligation not to disclose information about the affairs of the Board and the Group, without prejudice to the statutory provisions applicable to the disclosure of inside information.

In line with the relevant regulatory requirements, the internal rules of the Board of Directors also set the rules in relation to restrictions on trading in the securities of the Company. Accordingly:

- the directors must refrain from trading directly or indirectly in the listed securities of the Company and related financial instruments for a period of 30 calendar days preceding each of the periodic publications relating to the annual and half-year consolidated financial statements and 15 calendar days preceding each of the quarterly publications relating to consolidated revenue and ending at the close of the trading day following the publication of the relevant official press release. This closed period does not replace the statutory and regulatory provisions regarding insider trading with which each member of the Board must comply at the time they decide to trade, no matter when this might occur outside the defined closed periods;
- the same obligations apply to each director where they are privy to inside information;
- the directors are bound, in accordance with the regulations in force, to report to the Company and to the French Financial Markets Authority (Autorité des marchés financiers), any transactions effected in the Company's securities by themselves or by persons closely related to them as defined by the regulations. The transactions that fell under this heading during 2024 are presented in section 4.5 below.

Pursuant to the internal rules of the Board of Directors, the directors must hold at least 50 Company shares for their own personal account in accordance with Article L. 225-25 of the Company's articles of Association. This requirement does not apply to directors representing employees pursuant to Article 10 of the articles of Association. Should they not hold these shares already, directors are obliged to acquire them within six months of their appointment.

### 3.2.7 Prevention of conflicts of interest

Under the internal rules of the Board, each director is required to inform the Chairman of the Board and the Lead Independent Director of any conflicts of interest, even potential conflicts, between their duties to the Company and their private interests and/or other duties. A director must not participate in proceedings or vote on any matters that concern them directly or indirectly.

The Chairman of the Board of Directors may ask the directors at any time for a written statement confirming that they do not face any conflicts of interest.

Each year, the Board of Directors assesses the independence of directors with regard to preventing conflicts of interest.

To the best of the Company's knowledge, none of the corporate officers faces a potential conflict of interest between their duties to the Company and their private interests or other duties or has family ties with another corporate officer of the Company.

### 3.2.8 Honorary Chairman

Pursuant to Article 12 of the Company's articles of Association and the internal rules of the Board of Directors, the Board of Directors may name an Honorary Chairman, who may attend Board meetings in an advisory capacity. On May 19, 2005, François Pinault, founder of the PPR group, subsequently renamed Kering, was appointed as Honorary Chairman, and this decision was confirmed by the Board on April 27, 2017. Since his appointment, François Pinault has not attended any meetings of the Board of Directors.

## 3.3 Assessment of the functioning of the Board of Directors and its specialized Committees

Since 2004, in accordance with its internal rules, the Board of Directors has dedicated one item on its agenda, at least once a year, to a discussion of its operating arrangements and those of its Committees, as well as the individual contribution made by each director. Every three years, a formal assessment is carried out, if need be with the support of an independent external consultant.

### 3.3.1 Process for assessing the Board of Directors and specialized Committees

The processes for each type of assessment (i.e., internal and external) are presented below:

| | INTERNAL ASSESSMENT | EXTERNAL ASSESSMENT |
|---|---|---|
| **Launch of the assessment process** | Preparation of the assessment by the Lead Independent Director, in conjunction with the Board Secretary (Group General Counsel) | Selection of an independent external consultant and definition of the assessment process by the Lead Independent Director, with the support of the Board Secretary |
| **Written questionnaire** | Written questionnaire sent out to the Directors | External consultant sends the Directors a written questionnaire |
| **Individual meetings** | Individual meetings arranged between the Lead Independent Director and the Directors, during which the responses to the written questionnaire and the individual contribution made by each Director are discussed | Individual meetings arranged between the external consultant and the Directors, during which the responses to the written questionnaire and the individual contribution made by each Director are discussed |
| **Compilation** | Compilation of the results by the Board Secretary and review by the Lead Independent Director | Compilation of the results by the external consultant and review by the Lead Independent Director and the Board Secretary |
| **Feedback** | Feedback on the results of the assessment by the Lead Independent Director to the Appointments and Governance Committee and to the Board of Directors and discussion of the results<br>Individual feedback, where appropriate, on a voluntary basis | Feedback on the results of the assessment by the external consultant to the Appointments and Governance Committee and to the Board of Directors and discussion of the results<br>Individual feedback, where appropriate, on a voluntary basis |
| **Action plan** | Definition by the Board of a roadmap based on the areas for improvement identified and follow-up on its implementation | |

### 3.3.2 Internal assessment held in 2025

In late 2023, on the recommendation of the Appointments and Governance Committee, the Board of Directors had a formal assessment of its functioning conducted one year earlier than scheduled by Egon Zendher, an independent external consultant, under the oversight of the Lead Independent Director. The conclusions drawn from this assessment were presented in detail in Kering's 2023 Universal Registration Document, which can be downloaded from its website.

In early 2025, the Board of Directors conducted an internal assessment of its functioning, under the leadership of the Lead Independent Director. The directors were asked to answer various questions about the Board via a questionnaire and each met with the Lead Independent Director.

The assessment covered the following points:

- the composition, role and functioning of the Board of Directors;
- the meetings and work of the Board of Directors;
- the Board's relationships with Executive Management;
- the composition, functioning and role of the Committees;
- the individual contribution made by each director;
- director training; and
- the induction program for new Directors.

A report on this assessment was sent to each director, and its results were communicated by the Lead Independent Director then discussed at the meeting of the non-executive directors on February 10, 2025. The conclusions are summarized below:

**Main strengths**

- Solid and well-suited governance, with mechanisms in place to ensure a balance of power
- Strengthening of the Board's composition with the addition of three independent directors in 2024, bringing enhanced insight into the American and Asian markets, as well as expertise in finance and CSR/Climate
- Collective performance of the Board deemed highly satisfactory, with smooth operations driven by a high level of competence, professionalism, and quality exchanges
- Atmosphere of trust, fostering openness and free speech
- Recognition of the Lead Independent Director's contribution, particularly for her role in governance and Board cohesion
- High-quality presentations and working papers provided to the Board, facilitating its work
- Strengthened interactions with Executive Management, notably through the regular presence of the two Deputy CEOs at meetings and the hearing of the house CEOs during the annual strategic seminar
- Adequate access to training opportunities
- Specialized Committees (Audit, Remuneration, Appointments and Governance, and Sustainability) regarded as effective, well-informed, and appropriately composed

**Areas for improvement identified**

- Broaden international representation within the Board (United States, Middle East)
- Continue and deepen interactions with the CEOs of the houses
- Dedicate more time to business and commercial issues, as well as to topics such as human resources, cybersecurity, AI, and compliance
- Continue efforts to ensure documents are provided as early as possible before Board and Committee meetings

# 3.4 Activity of the Board of Directors and its specialized Committees

## 3.4.1 Work performed by the Board of Directors in 2024 and through March 4, 2025

In 2024, the Board of Directors met nine times (including by videoconference). Its work during the year and up to March 4, 2025, focused on the following areas:

| | |
|---|---|
| **Financial statements and financial management** | • Review and approval of the annual and interim parent company and consolidated financial statements<br>• Presentation by the Statutory Auditors of the conclusions of their work on the annual and interim consolidated financial statements<br>• Proposal of the 2023 and 2024 dividend to the 2024 and 2025 Annual General Meetings<br>• Review and approval of the quarterly results with the statutory auditors present<br>• Review and approval of the Group's annual budget for 2024 and 2025<br>• Regular review of the Group's financial position and in particular the financing and debt strategy, and monitoring of the bond program<br>• Review of the renewal of the financial authorizations granted to Executive Management<br>• Oversight of the invitation to tender process for the appointment of a new principal Statutory Auditor ahead of the expiration of Deloitte & Associés' appointment in 2026<br>• Review of the Audit Committee's work and recommendations |
| **Activity of the Group and strategy** | • Regular updates on business trends<br>• Monitoring of Gucci's performance and strategy<br>• Review, authorization and oversight of real estate projects in connection with Kering's selective real estate strategy<br>• Information about the top-level leadership changes at the Houses<br>• Quarterly review of the Group's risk mapping<br>• **Annual strategic seminar**: every year, one Board meeting held over two days is set aside for a presentation on strategic issues by operational and functional teams, in addition to regular updates during the year. This seminar provides an ideal opportunity for discussions between directors and the management teams of the Group and its Houses. In 2024, the strategic seminar focused on the following matters, with the participation of managers responsible for the relevant issues:<br>– Review of the brand books, strategy, performance and trajectory of Gucci, Saint Laurent, Bottega Veneta and Balenciaga<br>– Update on Boucheron's performance and strategy<br>– Annual review of the Group's risk map<br>– Update on artificial intelligence: key issues for the luxury industry and for the Group; AI governance within the Group; risks and opportunities identified; Group's AI strategy; operational integration of AI into Group processes<br>• Review of the Audit Committee's work and recommendations |
| **Governance** | • Review and adoption of the management report and the report on corporate governance<br>• Review of the composition of the Board of Directors and its Committees ahead of the expiration of terms of office in April 2024 and 2025<br>• Proposal to appoint three new independent directors at the Annual General Meeting of April 25, 2024: Rachel Duan, Giovanna Melandri, and Dominique D'Hinnin<br>• Proposal to renew Jean-Pierre Denis's term of office, which expires at the end of the April 25, 2024 Annual General Meeting<br>• End of Emma Watson's term of office at the end of the April 25, 2024, Annual General Meeting<br>• Proposal to renew the terms of office expiring at the end of the April 24, 2025, Annual General Meeting: François-Henri Pinault, Chairman and Chief Executive Officer, Financière Pinault, represented by Héloïse Temple-Boyer, and Baudouin Prot<br>• Changes to the composition of the Committees following the appointments made at the April 25, 2024, Annual General Meeting<br>• 2024 and 2025 Annual General Meetings: approval of the agenda, resolutions to be submitted for shareholders' approval and the Board's report on the resolutions; review of the answers to shareholders' written questions ahead of the 2024 Annual General Meeting<br>• Monitoring of the results of the formal assessment of the functioning of the Board of Directors by an independent external consultant in 2023 and execution of the roadmap drawn up following this assessment<br>• Update of the internal rules of the Board of Directors and its Committees<br>• Follow-up on discussions with investors on governance issues in connection with the ESG roadshow at which the Lead Independent Director participates<br>• Annual review of directors' independence<br>• Annual review of related-party agreements<br>• Review of the work and recommendations made by the Appointments and Governance Committee |

| | |
|---|---|
| **Remuneration** | • Review of the performance of the Chairman and Chief Executive Officer in 2023 and 2024, as well as of that of the Group Managing Director in office until October 3, 2023, and determination of the amount of the annual variable compensation awarded in respect of those years<br>• Review and approval of the remuneration policy of the Chairman and Chief Executive Officer and directors for 2024 and 2025<br>• Review of achievement of the performance conditions applicable to the performance shares granted in 2021<br>• Adoption of the annual plan for the award of performance shares to the Chairman and Chief Executive Officer and certain Group employees<br>• Adoption of the additional and exceptional plan to award free shares to certain Group employees<br>• Review of the pay ratios<br>• Review of the Remuneration Committee's work and recommendations |
| **Corporate social and environmental responsibility** | • Decision to entrust the Audit Committee with overseeing the process of preparing the sustainability information published by the Company, with a joint review by the Audit Committee and the Sustainability Committee<br>• Proposal to the Annual General Meeting on April 25, 2024, to appoint the auditors currently in charge of the statutory audit as Statutory Auditors responsible for providing assurance of the Company's sustainability information<br>• Approval of the Non-financial information statement (NFIS) for 2023 and the 2024 sustainability statements<br>• Approval of the Modern Slavery Statement<br>• Report by the Climate Change Lead followed by a debate concerning the Group's decarbonization strategy<br>• Review of the Sustainability Committee's work and recommendations |
| **Executive sessions** | • Training of directors by an external expert on the duties and obligations associated with their term of office, especially in relation to the stock market<br>• Report by the Lead Independent Director on the results of the internal assessment of the Board of Directors and its Committees, conducted at the beginning of 2025, followed by a discussion on the Board's roadmap (for more information on this assessment, please see section 3.3.2 above).<br>These meetings took place on December 3, 2024, and February 10, 2025. |

In 2024, the average attendance rate of meetings of the Board of Directors was 95%. A breakdown by meeting is presented below:

| Date | Attendance rate |
|---|---|
| February 7, 2024 | 91% |
| February 28, 2024 | 91% |
| March 20, 2024 | 100% |
| April 25, 2024 (before the Annual General Meeting) | 100% |
| April 25, 2024 (after the Annual General Meeting) | 100% |
| July 24, 2024 | 77% |
| October 2, 2024 | 92% |
| October 29 and 30, 2024 | 100% |
| December 3, 2024 | 100% |

The following persons attended Board meetings:

- the Board Secretary (Group General Counsel);
- the Social and Economic Committee representative;
- both the Deputy CEOs, together or individually;
- and, at certain meetings, the Chief Financial Officer, the CEOs of certain houses or heads of functions and external speakers depending on the topics addressed at these meetings, as well as the Statutory Auditors.

Board meeting agendas are drawn up by the Board Secretary after consultation of the Executive Management, taking into account the work performed by the specialized Committees and any proposals from the Lead Independent Director, who can add specific items to the agenda of Board meetings.

Several days ahead of each Board meeting, the directors receive, via a secure file sharing solution, a pack including the agenda for the meeting, the associated documentation and the draft minutes for the previous meeting.

The minutes of each meeting are submitted for approval at the following meeting.

In accordance with the internal rules of the Board, certain issues are reviewed in advance by the specialized Committees according to their area of expertise in order to inform the Board's work and decisions. At each Board meeting, a report is presented by their Chair of the work performed by the Committees during the previous meetings.

## 3.4.2 Board Committees

### Audit Committee

#### Composition as of March 4, 2025

| | | |
|---|---|---|
| **Dominique D'Hinnin** | Chairman | Independent |
| **Jean-Pierre Denis** - Climate Change Lead | Member | Non-independent |
| **Rachel Duan** | Member | Independent |
| **Financière Pinault, represented by Héloïse Temple-Boyer** | Member | Non-independent |
| **Véronique Weill** - Lead Independent Director | Member | Independent |
| **Serge Weinberg** | Member | Independent |

**67%**
independent directors

**97%**
attendance rate in 2024

**7**
meetings
during 2024, including two joint sessions with the Sustainability Committee

The Audit Committee is chaired by Dominique D'Hinnin, an independent director, who replaced Tidjane Thiam following the latter's resignation on January 9, 2024. Jean-Pierre Denis acted as interim Chair from that date until Dominique D'Hinnin's appointment at the Annual General Meeting on April 25, 2024.

As of March 4, 2025, 67% of Audit Committee members were independent directors. No executive corporate officer is a member of the Committee, in line with the recommendations of the AFEP-MEDEF Code.

As demonstrated by their respective biographical details presented in section 2.1 above, all the Audit Committee members possess financial and/or accounting expertise and senior executive and operational experience of large groups or banks.

#### Duties

The duties, resources and functioning of the Audit Committee are outlined in the internal rules of the Board of Directors, which were updated on December 3, 2024, to specify the Committee's duties to accommodate the transposition of the European Corporate Sustainability Reporting Directive ("CSRD") into French law.

The Audit Committee's main purpose is to oversee issues arising from the preparation and control of accounting, financial and sustainability information.

Without prejudice to the authority of the Board of Directors, the Audit Committee's remit is to:

- review the annual and interim parent company and consolidated financial statements prior to their presentation to the Board of Directors;
- monitor the implementation and effectiveness of internal control, internal audit and risk management systems for accounting, financial and sustainability information. Its role is to regularly review the Group's risk mapping and make certain that the principal risks have been identified and addressed;
- oversee the statutory audit of the annual and interim financial statements and assurance of sustainability information. This involves leading the selection procedure for Statutory Auditors and sustainability auditors, monitoring the performance of their engagements, reviewing their fees every year and assessing their independence.

In conducting its role, the Committee is supported by the work of the finance, internal audit and legal functions and the Statutory Auditors.

The Audit Committee reports to the Board of Directors on a regular basis and provides it with opinions or recommendations on all matters within its scope of duties. Its meetings are systematically minuted, approved and reported on to the Board of Directors.

In addition, the Committee issues recommendations to the Board of Directors in relation to the regular assessment of the terms of the Group's related-party and ordinary agreements. Accordingly, it reviews on an annual basis charges invoiced made under the support agreement entered into between Kering and Artémis (described in Note 31.1 to the consolidated financial statements, included in this Universal Registration Document), as well as any changes in such charges.

#### Work carried out by the Audit Committee in 2024 and through March 4, 2025

In 2024, the Audit Committee met seven times, including two joint sessions with the Sustainability Committee. The average attendance rate for 2024 was 97%. A new joint meeting between the two Committees took place on February 12, 2025.

The Chief Financial Officer, the Chief Audit Officer and the Chief Financial Control Officer took part in each Committee meeting to present their work and answer members' questions. The General Counsel, the Chief Compliance Officer, the Chief Information Security Officer, the Group Privacy Officer and the Chief Intellectual Property Director also attended sessions. In addition, the Statutory Auditors were present at all the meetings.

During 2024 and through March 4, 2025, the Audit Committee dealt with the following issues:

| | |
|---|---|
| **Preparation of accounting and financial information** | • Review of the annual and interim parent company and consolidated financial statements, off-balance sheet commitments and year-end points for close attention, commented on by the Group's Finance Department and analyzed with the Statutory Auditors present<br>• Presentation by the Statutory Auditors of their work and conclusions concerning the parent company and consolidated financial statements (including the key audit matters)<br>• Review of the accounting and financial information documents related to the annual and interim consolidated financial statements<br>• Monitoring of performance relative to budget<br>• Monitoring of the share performance |
| **Financing** | • Oversight of the Group's financial position, trends in debt and the financing strategy |
| **Internal audit, internal control and risk management** | • Oversight of internal audit activities: principal audits completed in 2024, audit findings and action plans put in place<br>• Review of the audit plan and control assignments scheduled for 2025<br>• Presentation of the 2023 results from the internal control self-assessment questionnaire campaign, plus those of the Houses and stores and the campaign carried out in the first quarter of 2024 at the stores<br>• Review of the Group's internal control framework and internal control activities<br>• Briefings on the internal control reviews conducted in 2024 by the Statutory Auditors<br>• Regular review of the Group's risk mapping, including sustainability risks, and follow-up on audits carried out within the Group and at suppliers, as well as the action plans put in place<br>• Annual data privacy update: overview of regulatory developments, policies and action plans put in place<br>• Annual cybersecurity update: cybersecurity priorities and risks, programs to prevent and remedy incidents<br>• Annual compliance update: operational governance; annual report on implementation of the compliance program and the ethics whistleblowing system; review of the updated mapping of human rights and duty of care risks, as well as corruption risks, and action plans drawn up and implemented after audits; monitoring of employee training; presentation of the European duty of care (Corporate Sustainability Due Diligence Directive - CSRD) |
| **Statutory Auditors** | • Review of the scope of the Statutory Auditors' engagement, the independence of the Statutory Auditors, and their general program for audit work<br>• Oversight of the invitation to tender process for the appointment of a new principal Statutory Auditor ahead of the expiration of Deloitte & Associés' appointment in 2026 |
| **Preparation of sustainability information** *(joint meetings with the Sustainability Committee)* | • Presentation of the general framework in the CSRD and expectations concerning sustainability reporting<br>• Recommendation to the Board of Directors on governance of sustainability information at Board level and the appointment of auditors currently in charge of the statutory audit as Statutory Auditors responsible for providing assurance of the sustainability reporting<br>• Monitoring of the double materiality analysis process including the methodology, timetable and results (in particular, list of material issues and related impacts, risks and opportunities) as well as the process of preparing sustainability statements<br>• Update on the existence of policies, targets or action plans related to each material sustainability priority identified<br>• Presentation by the sustainability auditors of the conclusions of their work on the double materiality analysis and the sustainability information published by the Company<br>• Review and approval of the sustainability statements for 2024 |
| **Other issues** | • Review of invoicing under the support agreement entered into with Artémis<br>• Review of disputes<br>• Update on the Group's tax policy<br>• Annual update on the Group's intellectual property policy and programs to protect the brand portfolio |

Each Audit Committee meeting is minuted, and these minutes are presented by the Chair at the subsequent Board meeting, so that the Board is kept fully apprised of the Committee's work and can discuss the issues it covers.

## Remuneration Committee

### Composition as of March 4, 2025

| | | |
|---|---|---|
| **Véronique Weill** - Lead Independent Director | Chair | Independent |
| **Dominique D'Hinnin** | Member | Independent |
| **Financière Pinault, represented by Héloïse Temple-Boyer** | Member | Non-independent |
| **Vincent Schaal** | Member | Director representing employees |
| **Serge Weinberg** | Member | Independent |

**75%** independent directors[1]

**100%** attendance rate in 2024

**4** meetings in 2024

The Remuneration Committee has been chaired by Véronique Weill, Lead Independent Director, since her appointment on April 28, 2022.

In accordance with the recommendations of the AFEP-MEDEF Code, its members include a director representing employees, but not any executive corporate officers.

Overall, 75% of the Remuneration Committee's members are independent directors. Note that this percentage is calculated excluding the director representing employees, in line with the recommendations of the AFEP-MEDEF Code. Committee.

### Duties

In accordance with the internal rules of the Board of Directors, last updated on December 3, 2024, the Remuneration Committee's remit is to make proposals to the Board of Directors concerning:

- the remuneration policy for executive corporate officers;
- the remuneration policy for directors, determining the method for apportioning the allowance granted by the Annual General Meeting to the Board of Directors;
- the remuneration received by the Company's Executive Committee members, including pension benefits and benefits of any kind, as well as the free allotment of shares, including performance shares and/or similar benefits;
- general remuneration policies within the Group.

Any material issues in this area may be referred to the Remuneration Committee for its consideration.

### Work carried out by the Remuneration Committee in 2024 and through March 4, 2025

The Committee met four times in 2024, with an average attendance rate of 100%.

The Group's Chief People Officer and Chief Compensation & Benefits Director attended each meeting to present their work and answer the Committee's questions. The Chief Sustainability and Institutional Affairs Officer also appeared before the Committee.

During 2024 and through March 4, 2025, the Remuneration Committee dealt with the following issues:

| | |
|---|---|
| **Remuneration of corporate officers** | • Review of the performance of the Chairman and Chief Executive Officer in 2023 and 2024, as well as of that of the Group Managing Director in office until October 3, 2023<br>• Recommendation to the Board of Directors on the remuneration policy of the Chairman and Chief Executive Officer for 2024 and 2025 after a review of the remuneration components<br>• Review of the apportionment rules for the remuneration allocated to members of the Board of Directors and recommendation to the Board of Directors on the remuneration policy for directors<br>• Review of the pay ratios |
| **Other issues** | • Review of the Executive Committee members' remuneration in 2023 and 2024<br>• In-depth review of long-term incentives (LTI) within the Group |

Each Remuneration Committee meeting is minuted, and these minutes are presented by the Chair at the subsequent Board meeting, so that the Board is kept fully apprised of the Committee's work and can discuss the issues it covers.

[1] Excluding the Directors representing employees in accordance with the AFEP-MEDEF code.

## Appointments and Governance Committee

### Composition as of March 4, 2025

| | | |
|---|---|---|
| **Serge Weinberg** | Chairman | Independent |
| **Concetta Battaglia** | Member | Director representing employees |
| **Yonca Dervisoglu** | Member | Independent |
| **Financière Pinault, represented by Héloïse Temple-Boyer** | Member | Non-independent |
| **Baudouin Prot** | Member | Non-independent |
| **Véronique Weill** - Lead Independent Director | Member | Independent |

**60%**
independent directors(1)

**100%**
attendance rate in 2024

**2**
meetings in 2024

The Appointments and Governance Committee has been chaired by Serge Weinberg, an independent director, since his appointment by the Annual General Meeting on April 28, 2022.

Overall, 60% of the Committee's members are independent directors. Note that this percentage is calculated excluding the director representing employees, in line with the recommendations of the AFEP-MEDEF Code. No executive corporate officers are members of the Committee.

### Duties

In accordance with the internal rules of the Board of Directors, last updated on December 3, 2024, the Appointments and Governance Committee's remit is to:

- review and propose to the Board of Directors the director candidacies, in consideration of the diversity policy of the Board of Directors and the status of the candidates in view of the recommendations of the AFEP-MEDEF Code. Any potential director candidacies may be referred to it for review;
- organize a procedure for selecting future independent directors;
- review from time to time any issue related to the composition, structure, organization and functioning of the Board of Directors and Committees and submit any proposal to make amendments;
- review (i) in advance of each appointment, (ii) on an annual basis, and (iii) at any time that the Committee considers appropriate the status of the Company's directors with regard to the independence criteria defined by the AFEP-MEDEF Code;
- review and propose to the Board the appointment of the Deputy CEOs;
- prepare a succession plan for executive corporate officers and members of Kering's Executive Committee, which it reviews regularly.

The Appointments and Governance Committee's remit is also to review the Group's human resources policy, in particular concerning diversity and inclusion, recruitment, employee development and retention, labor relations, employee share ownership.

Any material issues in this area may be referred to the Appointments and Governance Committee for its consideration.

(1) Excluding the Directors representing employees in accordance with the AFEP-MEDEF code.

### Work carried out by the Appointments and Governance Committee in 2024 and through March 4, 2025

The Committee met two times in 2024, with an average attendance rate of 100%. During 2024 and through March 4, 2025, the Appointments and Governance Committee dealt with the following issues:

| | |
|---|---|
| **Appointment** | • Study of the composition of the Board of Directors and its Committees based on the terms of office expiring in 2024 and 2025<br>• Oversight of the selection process for new independent directors and recommendation to the Board of Directors to propose the appointment of Rachel Duan, Giovanna Melandri and Dominique D'Hinnin at the Annual General Meeting of April 25, 2024, as well as the reappointment of Mr. Jean-Pierre Denis<br>• Recommendation to the Board of Directors to propose the reappointment of François-Henri Pinault, Baudouin Prot and Financière Pinault, represented by Héloïse Temple-Boyer, at the Annual General Meeting of April 24, 2025 |
| **Evaluation** | • Review of the results of the formal assessment of the Board led in 2023 by an independent external consultant |
| **Succession planning** | • Review of the succession plan for the Chairman and Chief Executive Officer<br>• Review of succession planning for Executive Committee members, House CEOs and Creative Directors |
| **Other issues** | • Annual review of directors' independence<br>• Review of the independence of the candidates for appointment in the course of the selection process for new directors ahead of the Annual General Meeting on April 25, 2024<br>• Update on the Lead Independent Director's special allowance<br>• Review of gender diversity policy applied to the senior management bodies |

Each meeting of the Appointments and Governance Committee is minuted and reported on by its Chair at the subsequent Board meeting so that the Board is fully apprised of the Committee's work and can discuss the issues it covers.

## Sustainability Committee

### Composition as of March 4, 2025

| | | |
|---|---|---|
| **Giovanna Melandri** | Chair | Independent |
| **François-Henri Pinault** - Chairman and CEO | Member | Non-independent |
| **Concetta Battaglia** | Member | Director representing employees |
| **Maureen Chiquet** | Member | Independent |
| **Jean-Pierre Denis** - Climate Change Lead | Member | Non-independent |
| **Yonca Dervisoglu** | Member | Independent |
| **Véronique Weill** - Lead Independent Director | Member | Independent |

**67%**
independent directors[1]

**89%**
attendance rate in 2024

**4**
meetings
during 2024, including two joint sessions with the Audit Committee

### Duties

In accordance with the internal rules of the Board of Directors, which were updated on December 3, 2024, the Sustainability Committee's remit is to assist the Board of Directors with the oversight of sustainability issues.

Accordingly, the Sustainability Committee:

- reviews the Group's sustainability strategy and commitments, including with regard to decarbonization, climate change and biodiversity, and formulates any recommendations related to these aspects;
- monitors the Group's sustainability actions, especially as regards the environment, the social impact of its value chain and the initiatives by the Kering Foundation;
- ensures that sustainability issues, risks and opportunities are taken into account in the formulation and implementation of the Group's strategy;
- conducts an annual review of the main non-financial ratings awarded to the Company.

Any material issues in this area may be referred to the Sustainability Committee for its consideration.

[1] Excluding the Directors representing employees in accordance with the AFEP-MEDEF code.

### Work performed by the Sustainability Committee in 2024 and through to March 4, 2025

In 2024, the Sustainability Committee met four times, including two joint sessions with the Audit Committee. Its members' average attendance rate for 2024 was 89%.

During 2024 and through March 4, 2025, the Sustainability Committee dealt with the following issues:

- external assessments and ratings of the Group's ESG performance;
- the decarbonization roadmap under the SBTi trajectory and the various sources of operational leverage, including those related to circularity, sustainable raw material sourcing and energy efficiency;
- Kering's participation in the SBTN (Science Based Targets for Nature) pilot project and the definition of science-based targets for soil and freshwater;
- formulation of the Water strategy;
- the Climate Fund for Nature and the Regenerative Fund for Nature initiatives;
- Expansion of the Kering Generation Awards in Japan and Saudi Arabia and launch of a dedicated edition for jewelry;
- work carried out by the Material Innovation Lab and the Group's goal of developing innovative new materials;
- Kering's academic partners around the world;
- The Group's progress on traceability and alignment with the Kering Standards;
- the social impact on the value chain (operational governance, Group's approach and key initiatives);
- the updated mapping of human rights and duty of care risks and Kering's Human Rights Policy;
- Kering's participation in the French ministry of Ecological Transition's "*Roquelaure Entreprises and Biodiversity*" initiative and the textile industry proposals submitted by the Company;
- the industry initiatives in which Kering is taking part, including the Fashion Pact and the Watch & Jewellery Initiative 2030;
- the Kering Foundation's actions: review of the 2024 initiatives and the roadmap for 2025;
- regulatory developments concerning the environment and the duty of care and forward planning for their impact on the Group's activities.

The Group's Chief Sustainability and Institutional Affairs Officer attended all the Committee's meetings and answered its members' questions.

Each meeting of the Sustainability Committee is minuted for the next Board meeting so that the Board is kept fully apprised of the Committee's work and can discuss the issues it covers.

To ensure smooth coordination with the Audit Committee's work, especially the preparation of the sustainability information, two joint meetings were arranged between the Sustainability Committee and the Audit Committee during 2024. The members of both Committees also met on February 12, 2025, to conduct a joint review of the sustainability reporting to be published by the Company. The issues addressed during these joint sessions are presented above in the subsection "*Work carried out by the Audit Committee in 2024 and through March 4, 2025*".

## Directors' attendance at Board and Committee meetings in 2024

| | Board of Directors | Audit Committee | Remuneration Committee | Appointments and Governance Committee | Sustainability Committee | Overall attendance rate |
|---|---|---|---|---|---|---|
| | *9 meetings* | *7 meetings*[1] | *4 meetings* | *2 meetings* | *4 meetings*[1] | |
| **François-Henri Pinault** | 100% | — | — | — | 100% | 100% |
| **Véronique Weill** | 100% | 100% | 100% | 100% | 100% | 100% |
| **Dominique D'Hinnin**[2] | 100% | 100% | 100% | — | — | 100% |
| **Serge Weinberg** | 100% | 100% | 100% | 100% | — | 100% |
| **Giovanna Melandri**[2] | 100% | — | — | — | 100% | 100% |
| **Jean-Pierre Denis** | 100% | 100% | 100 %[3] | — | 100% | 100% |
| **Concetta Battaglia** | 100% | — | — | 100% | 100% | 100% |
| **Maureen Chiquet** | 78% | — | — | — | 100% | 85% |
| **Yonca Dervisoglu** | 89% | — | — | 100% | 75% | 87% |
| **Rachel Duan**[2] | 80% | 100% | — | — | — | 89% |
| **Financière Pinault, represented by Héloïse Temple-Boyer** | 100% | 100% | 100% | 100% | — | 100% |
| **Baudouin Prot** | 100% | — | — | 100% | — | 100% |
| **Vincent Schaal** | 100% | — | 100% | — | — | 100% |
| **Tidjane Thiam**[4] | n.a. | — | n.a. | — | — | 0% |
| **Emma Watson**[5] | 50% | — | — | — | — | 33% |

(1) Including two joint meetings between the Audit Committee and the Sustainability Committee.
(2) Term of office began on April 25, 2024.
(3) Mr. Jean-Pierre Denis ceased to be a member of the Remuneration Committee as of April 25, 2024, following the reorganization of the Committees carried out by the Board of Directors as part of the appointments approved during the Annual General Meeting held on the same day. He had attended the two meetings of the Committee that took place prior to that date.
(4) Mr. Tidjane Thiam resigned from his position as Director on January 9, 2024. He did not attend the meeting of the Audit Committee held on the same day.
(5) Duties as a Director ended on April 25, 2024.

n.a.: Not applicable (termination of the directorship prior to the meetings).

# 4 - OTHER CORPORATE GOVERNANCE DISCLOSURES

## 4.1 Application of the AFEP-MEDEF Corporate Governance Code of Listed Corporations

Since 2008, Kering has referred to the AFEP-MEDEF Corporate Governance Code of Listed Corporations (the "AFEP-MEDEF Code").

Note that in accordance with Article L. 22-10-10, paragraph 4 of the French Commercial Code, Kering complies with all the recommendations of the AFEP-MEDEF Code.

## 4.2 Attendance at Annual General Meetings

All shareholders are entitled to attend Annual General Meetings in accordance with the conditions provided for by law. The terms and conditions of their attendance are specified in the provisions of Article 19 of the articles of Association and are also set out in chapter 8 of this Universal Registration Document.

## 4.3 Factors likely to have an impact in the event of a public offer

No factors other than those related to (i) Kering's current shareholder structure (Artémis being the majority shareholder, with 42.34% of the share capital and 59.06% of the theoretical voting rights of Kering as of December 31, 2024), (ii) the double voting right provided for under the articles of Association for shareholders who have held their shares in registered form for at least two years, (iii) the Company's share buyback program, and (iv) the authorizations given by the Annual General Meeting to increase the share capital, as expressly described in this Universal Registration Document, are liable to have an impact in the event of a public tender offer for the Company's shares or could have the effect of delaying, deferring or preventing a change of control of the Company.

To the best of the Company's knowledge, there are no agreements between the Company's shareholders that could restrict the transfer of Kering shares or the exercise of the corresponding voting rights.

## 4.4 Statement concerning the corporate officers

To the best of the Company's knowledge:

- none of the corporate officers has been convicted of fraud in the last five years;
- none of the corporate officers has been associated in the last five years with insolvency, receivership, liquidation or court-ordered administration proceedings as a member of an administrative, management or supervisory body or as Chief Executive Officer or managing partner;
- no court order has been made over the last five years against any of the corporate officers that prohibits them from acting as a member of an administrative, management or supervisory body of an issuer or from being involved in the management or running of the business of an issuer;
- no charge and/or official public penalty has been made or ordered against any of the corporate officers of the Company by statutory or regulatory authorities (including designated professional bodies);
- none of the corporate officers has been given a commitment by the Company or any of its subsidiaries corresponding to components of remuneration, indemnities or benefits payable or potentially payable on account of the commencement, termination or change of their duties or subsequent thereto;
- none of the corporate officers has indicated the existence of an agreement with a main shareholder, customer or supplier of the Company pursuant to which they were designated as corporate officer.

Moreover, no service contract providing for the granting of benefits at the end of such an agreement binds the directors to the Group.

No assets belonging directly or indirectly to the Company's senior executives are used in Group operations.

To the best of the Company's knowledge, none of the corporate officers faces a potential conflict of interest between their duties to the Company and their private interests or other duties or has family ties with another corporate officer of the Company.

## 4.5 Trading in Kering securities by senior executives, their families and similar parties

Pursuant to the provisions of Article 223-26 of the AMF's General Regulations, trading in the Company's securities reported to the AMF in 2023 by senior executives and equivalent as well as persons closely related to the senior executives, as referred to in Article L. 621-18-2 of the French Monetary and Financial Code (*Code monétaire et financier*), is summarized below:

| Person concerned | Type of transaction | Transaction date | Average price |
|---|---|---|---|
| Maureen Chiquet, member of the Board of Directors | Purchase of 50 shares | February 19, 2024 | €422.40 |
| Artémis | Purchase of 77,000 shares | April 25, 2024 | €326.00 |
| Artémis | Purchase of 7,942 shares | April 26, 2024 | €334.46 |
| Concetta Battaglia, member of the Board of Directors | Purchase of 70 shares | April 29, 2024 | €337.6393 |
| Artémis | Purchase of 50,282 shares | April 30, 2024 | €329.87 |
| Vincent Schaal, member of the Board of Directors | Purchase of 31 shares | May 6, 2024 | €329.00 |
| Giovanna Melandri, member of the Board of Directors | Purchase of 50 shares | May 24, 2024 | €333.15 |
| Concetta Battaglia, member of the Board of Directors | Purchase of 30 shares | May 30, 2024 | €321.5250 |
| Jean-Marc Duplaix, Deputy CEO in charge of Operations and Finance | Purchase of 20 shares | July 25, 2024 | €278.95 |
| Jean-Marc Duplaix, Deputy CEO in charge of Operations and Finance | Purchase of 20 shares | July 26, 2024 | €284.95 |
| Rachel Duan, member of the Board of Directors | Purchase of 100 shares | July 29, 2024 | €285.00 |
| Dominique D'Hinnin, member of the Board of Directors | Purchase of 50 shares | July 29, 2024 | €281.70 |
| Vincent Schaal, member of the Board of Directors | Purchase of 38 shares | August 19, 2024 | €261.95 |
| François-Henri Pinault, Chairman and Chief Executive Officer | Definitive vesting of 2,009 free shares granted subject to performance conditions[1] | October 4, 2024 | – |
| Francesca Bellettini, Deputy CEO in charge of Brand Development | Definitive vesting of 496 free shares granted subject to performance conditions[1] | October 4, 2024 | – |
| Jean-Marc Duplaix, Deputy CEO in charge of Operations and Finance | Definitive vesting of 414 free shares granted subject to performance conditions[1] | October 4, 2024 | – |
| Jean-François Palus, President and CEO of Gucci | Definitive vesting of 1,461 free shares granted subject to performance conditions[1] | October 4, 2024 | – |
| Jean-François Palus, President and CEO of Gucci | Sale of 543 shares | October 4, 2024 | €237.6294 |
| Jean-François Palus, President and CEO of Gucci | Sale of 918 shares | October 4, 2024 | €238.8029 |
| Armelle Poulou, Chief Financial Officer | Definitive vesting of 46 free shares granted subject to performance conditions[1] | October 4, 2024 | – |

(1) Definitive vesting on October 4, 2024 of the performance shares awarded in 2021 by the Board of Directors under the 2021 Plan.

## 4.6 Related-party agreements

The support agreement between Kering and Artémis, which was approved in a previous fiscal year, remained in force in 2024. This agreement remunerates the management of the group and various services provided directly or indirectly, as well as the provision of the resources necessary to carry out these tasks. This agreement is presented in the Statutory Auditors' report in chapter 6 of this Universal Registration Document.

# 5 - REMUNERATION OF CORPORATE OFFICERS

The information contained in this section sets out Kering's remuneration policy for corporate officers, which is defined by the Board of Directors based on recommendations from the Remuneration Committee. The policy takes account of the recommendations set out in the AFEP-MEDEF Corporate Governance Code of Listed Corporations, the guide to developing universal registration documents published by the French Financial Markets Authority (*Autorité des marchés financiers* - AMF) and the reports on corporate governance and executive remuneration in listed companies issued by the AMF and the High Committee on Corporate Governance (*Haut comité de gouvernement d'entreprise*). The remuneration policy for all corporate officers is an integral part of Kering's report on corporate governance.

## 5.1 Remuneration policy applicable to the Chairman and Chief Executive Officer (executive corporate officer) for 2025 subject to approval by the Annual General Meeting of April 24, 2025 (*ex-ante* vote)

Acting on the recommendation of the Remuneration Committee, the Board of Directors approved on March 4, 2025, the remuneration policy applicable to the Chairman and Chief Executive Officer for 2025.

In compliance with the provisions of Articles L. 22-10-8 and R. 22-10-14 of the French Commercial Code, the 2025 remuneration policy described below includes the general principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components making up total remuneration and benefits in kind granted to the Chairman and Chief Executive Officer in respect of his duties. It will be submitted for the approval of the shareholders at the Annual General Meeting to be held on April 24, 2025.

### 5.1.1 General principles of the remuneration policy for the Chairman and Chief Executive Officer

#### Principles for determining the Chairman and Chief Executive Officer's remuneration

The Company's remuneration policy for its executive corporate officer is set by the Board of Directors, based on recommendations from the Remuneration Committee, in compliance with the Company's interests, considering the social and environmental issues arising from its activities.

An exhaustive approach has been adopted to determining the Chairman and Chief Executive Officer's remuneration that takes into account all components to achieve a comprehensive view. The Board of Directors seeks to maintain a balance between the various components, with the main emphasis placed on short- and long-term variable remuneration linked to the performance of the Group and the Chairman and Chief Executive Officer.

Accordingly, the remuneration structure and the criteria on which variable remuneration is based are set and adjusted to ensure the amounts paid are strictly aligned with achievement of the Group's strategic objectives, including its social and environmental objectives.

The lion's share – 84% – of the remuneration is subject to performance conditions, reflecting the obligation for the Chairman and Chief Executive Officer to create value over the medium and long term.

His variable remuneration (annual and long-term) depends on the achievement of financial, environmental and/or social targets aligned with the Group's major ambitions in these areas. The performance criteria are precise, varied, directly linked to the Group's strategic priorities, and mostly quantifiable.

A significant proportion of variable remuneration is awarded in shares subject to performance conditions. This is intended to encourage the Chairman and Chief Executive Officer to focus on achieving sustainable profitability over a long period, and aligns his interests with those of the Company's shareholders and other stakeholders. The requirement for him to retain a large proportion of the performance shares awarded to him throughout his term of office fosters a long-term vision and a high degree of correlation with shareholder interests.

Through these principles, the remuneration policy is intended to establish a clear, motivating framework that serves the Group's ambitions.

#### Process for determining the Chairman and Chief Executive Officer's remuneration

Process for determining the Chairman and Chief Executive Officer's remuneration involves three of the Board of Directors' Committees.

##### Remuneration Committee

The Remuneration Committee makes recommendations to the Board of Directors regarding:

- The remuneration policy for executive corporate officers and directors;
- The determination and weighting of the quantifiable and qualitative criteria of the variable remuneration, both annual and long-term, of executive corporate officers;
- The performance target achievement rate applicable to the variable remuneration, both annual and long-term, of executive corporate officers.

The Remuneration Committee regularly examines the remuneration policy, and is particularly attentive to its conformity with the key principles set out above.

The remuneration mechanisms in place are analyzed every year to assess whether any changes need to be made. This analysis may be supported by external consultants. Market practices may be benchmarked to gain a more objective picture of the remuneration policy and a better understanding of Kering's relative position in terms of remuneration. Where such benchmarking takes place (both in terms of remuneration levels and the principles for determining and managing remuneration), comparisons focus principally on the benchmark panel used for long-term variable remuneration in the form of performance shares, made up of eight listed companies in the luxury sector: Burberry, Ferragamo, Hermès, LVMH, Moncler, Prada, Richemont and Swatch. Other companies may also be included based on their size and business sector.

In fulfilling its remit, the Remuneration Committee also relies on work done by the Group's Human Resources and Legal departments which, in conjunction with the Secretary of the Board of Directors, make recommendations in their respective fields of expertise: the Human Resources Department formulates proposals on the structure of remuneration, the weighting of its components and the performance targets for variable remuneration, making sure that they are aligned with the Group's strategy; the Legal Department ensures that the remuneration policy complies with applicable legislative and regulatory provisions and with the principles set out in the AFEP-MEDEF Code; it also ensures that the Committee is fully informed of market best practice and the expectations and observations expressed by investors as part of shareholder dialogue and their voting policies, as well as by proxy advisors.

Decisions about the determination and modification over time of the executive corporate officers' remuneration – whether in relation to the balance between fixed and variable components or the choice of performance criteria – are based on proposals made by the Remuneration Committee. These proposals are predicated, in turn, on analyses and recommendations provided by the Group's Sustainability, Human Resources and Legal Departments.

The level of achievement of the financial targets for the executive corporate officer's annual and long-term variable remuneration is provided by the Group's Finance Department. The level of achievement of the non-financial targets is assessed initially by the Remuneration Committee, which reports back to the Board of Directors. This assessment is based on briefing notes provided by the Legal, Sustainability and Human Resources Departments, which are commented upon during the meeting.

### Audit Committee

As part of the process of determining variable compensation, the Audit Committee reviews every year the degree of achievement of the applicable financial performance targets.

### Sustainability Committee

In addition to financial performance targets, the executive corporate officer's annual and long-term variable remuneration is also based on the achievement of non-financial performance targets aligned with the Group's strategic priorities in this area, as set by the Board of Directors on the basis of work done by the Sustainability Committee.

### Board of Directors

The Board of Directors determines the remuneration policy applicable to the Chairman and Chief Executive Officer. In particular, it ensures that the performance indicators and targets for annual and long-term variable remuneration components are aligned with the Group's strategy.

In addition, the Board of Directors discusses and decides on payment of variable elements due in accordance with the principles adopted, after the consolidated financial statements for the relevant year have been approved.

The Chairman and Chief Executive Officer does not take part in discussions or votes relating to his remuneration.

### Annual General Meeting

In accordance with legislative and regulatory provisions in force, shareholders are invited to vote on the following matters each year as part of the Annual General Meeting:

- the remuneration policy for the executive corporate officer(s) (*ex-ante* vote);
- the content of the corporate governance report setting out details of remuneration paid or granted to corporate officers during the last financial year (global *ex-post* vote);
- the fixed, variable and exceptional components of total remuneration and benefits in kind paid during or awarded in respect of the last financial year to each executive corporate officer (individual *ex-post* vote).

## 5.1.2 Components of the remuneration policy for the Chairman and Chief Executive Officer

As it does every year, the Remuneration Committee reviewed the existing remuneration policy and considered its relevance. Based on the changes made in 2024, following the dialogue initiated by the Company with its shareholders, the Committee stated the view that robust arrangements were in place, maintaining a close link between the Chairman and CEO's remuneration and the Group's strategy and performance.

To recap, the Group's made the following adjustments in 2024: (i) streamlining of the non-financial targets for annual variable remuneration (ii) addition of new performance indicators and targets for annual and long-term variable remuneration calculations, in line with the Group's targets (iii) most remuneration linked to quantifiable performance targets. The Board of Directors also decided that the amount payable to the Chairman and Chief Executive Officer in respect of the 5,411 KMUs (Kering Monetary Units) awarded to him in 2018 as multi-year variable remuneration would be paid to him in installments out to 2026.

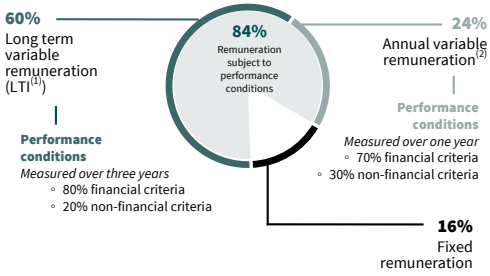
On the recommendation of the Remuneration Committee, the Board of Directors decided at its March 4, 2025 meeting to maintain the same remuneration structure and principles and also the performance indicators underpinning the annual and long-term variable components. Nonetheless, an adjustment was proposed concerning the climate and biodiversity targets in order to maintain their alignment with the Group's targets:

| Main changes proposed regarding the Chairman and Chief Executive Officer's 2025 remuneration policy | |
|---|---|
| **Adjustment to the "Climate" target of both annual and long-term variable remuneration** | In line with the Group's net-zero reduction target by 2050, verified by the Science Based Targets Initiative (SBTi) in 2024, it is proposed to strengthen the climate-based performance target in both annual and long-term variable remuneration. Thus, for 2025, the annual variable remuneration would include a target of a 5% reduction (compared to 4% previously) in the Group's greenhouse gas emissions across scopes 1, 2, and 3 of the GHG Protocol. For long-term variable remuneration, in performance shares, this reduction target would be raised to 12% by 2027 (compared to 10% by 2026 under the 2024 remuneration policy). |
| **Adjustment to the "Biodiversity" target of long-term variable remuneration** | The proposal is to adjust the biodiversity performance target for long-term variable remuneration following the validation in 2024 by the Science Based Targets Network (SBTN) of Kering's science-based targets for soil and freshwater. The previous target – focused on the adoption of regenerative agriculture on a specific number of hectares in the supply chain and the protection of key areas that do not form part of the supply chain – would be replaced by a new target based on the introduction of collaborative programs to restore and regenerate water, land and biodiversity in three priority drainage basins for Kering's business activities. |

The remuneration policy submitted for approval at the April 24, 2025 Annual General Meeting is thus in line with the one approved in 2024.

For 2025, the remuneration structure for the Chairman and Chief Executive Officer will comprise three components: fixed remuneration, annual variable remuneration (short-term) and long-term variable remuneration (in the form of performance shares).

The relative weight of each component will be as follows:




(1) LTI: 150% of the fixed remuneration for year Y + target annual variable remuneration for year Y-1.
(2) Annual variable remuneration: 150% of fixed remuneration.

## Fixed remuneration

The fixed remuneration of the Chairman and Chief Executive Officer is determined by taking into account the following factors:

- the level and complexity of the tasks and responsibilities of the Chairman and Chief Executive Officer compared with those of an executive corporate officer of a group of comparable size;
- the incumbent's experience, background and level of expertise;
- market research and analyses relating to the remuneration of people in similar positions in comparable companies.

In line with recommendation 26.3.1 of the AFEP-MEDEF Code, the Chairman and Chief Executive Officer's annual fixed remuneration is reviewed at relatively lengthy intervals, and is used as a reference for calculating his annual variable remuneration and determining the value of his long-term remuneration.

For 2025, the Board of Directors proposes leaving the annual fixed remuneration of the Chairman and Chief Executive Officer unchanged at €1,200,000, i.e., the same level as for the last eight years.

## Annual variable remuneration

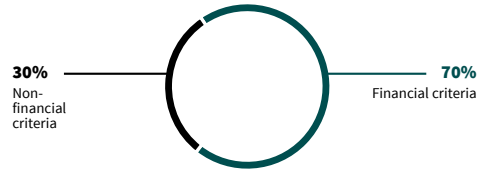
Annual variable remuneration is designed to align the executive corporate officer's remuneration with the Group's short-term financial and non-financial performance, and to encourage the achievement of its long-term strategic objectives. It is stated as a percentage of annual fixed remuneration and has no guaranteed minimum amount.

If all targets are hit, the Chairman and Chief Executive Officer's annual variable remuneration will be 150% of his annual fixed remuneration. In accordance with the recommendations of the AFEP-MEDEF Code, annual variable remuneration is capped at 203% of his annual fixed remuneration if targets are exceeded (achievement rate of over 125% for financial targets and of 100% for non-financial targets).

The Chairman and Chief Executive Officer's annual variable remuneration for 2024 depends on:

- the achievement of financial targets based on the Group's recurring operating income and free cash flow from operations, which determine 70% of the total, and
- the achievement of non-financial targets based on indicators relating to the climate (10%), organization and talent management (10%) and the protection of the Group's intangible assets (10%), which determine 30% of the total.

### Criteria for annual variable remuneration



The various performance criteria (financial and non-financial) are distributed as follows:

| Financial criteria | Weighting |
|---|---|
| **Consolidated recurring operating income**<br>Achievement of the budget target, comparing the recurring operating income as defined in the budget (remeasured at the average exchange rates of the year) to the published recurring operating income (excluding non-budgeted scope impacts). | 35% |
| **Consolidated free cash flow from operations**<br>Achievement of the budget target, comparing the free cash flow from operations as defined in the budget to the published free cash from operations (excluding non-budgeted scope impacts). The Group assesses the impact of acquisitions and disposals of strategic real estate assets on free cash flow from operations, considering them as scope effects on this indicator. | 35% |
| **Subtotal** | **70%** |

| Non-financial criteria | 2025 targets | Weighting |
|---|---|---|
| **Climate** | • 5% reduction in greenhouse gas emissions in absolute terms (scopes 1, 2 and 3 of the GHG Protocol) as part of the SBTi (Science Based Targets Initiative) verified target of net zero emissions by 2050 | 10% |
| **Organization and talent management** | • Reduction in the unexplained gap[(1)] between the fixed salaries of men and women within the Group (as calculated as part of the Universal Fair Pay Check certification approach) from 1.4% to 1.2% | 5% |
| | • Robust succession plans for the two Deputy CEOs and other members of the Executive Committee, the House CEOs, and Creative Directors | 5% |
| **Protection of the Group's intangible assets (image, reputation, intellectual property, compliance)** | • Strict compliance with the internal control framework put in place to monitor the Houses' activities in order to protect the Group's reputation, and no incidents observed | 10% |
| **Subtotal** | | **30%** |
| TOTAL | | 100% |

(1) The unexplained gap is the residual difference between the remuneration of men and women that cannot be explained by factors that may legitimately influence remuneration levels (such as the level of responsibility, the level of experience, geographical location, the profession concerned, etc.).

The Chairman and Chief Executive Officer's annual variable remuneration for a given year is calculated and decided on by the Board of Directors after the end of the financial year to which it relates.

Criteria for the non-financial targets defined for 2025 are listed above. For confidentiality reasons, the targets associated with financial criteria are not disclosed at the time they are set but disclosed *ex-post* as part of reporting on their level of achievement.

The assessment of each performance target's level of achievement is based on a detailed proposal prepared by the Remuneration Committee, which relies in particular on objective information reported by the Group's Finance Department, Human Resources Department, Sustainability Department and Legal Department in relation to the predefined targets.

The principles for the determination of annual variable remuneration of the Chairman and Chief Executive Officer presented above will be pursued in 2025 subject to the approval of the shareholders at the Annual General Meeting on April 24, 2025.

Annual variable remuneration due for 2025 will be paid in 2026, following the 2026 Annual General Meeting's approval of the financial statements. Payment is also subject to the approval of the 2025 remuneration policy in the Annual General Meeting on April 24, 2025.

## Factors determining the payment of annual variable remuneration

The factors determining payment of annual variable remuneration are the same as for previous years and function as described in the table below.

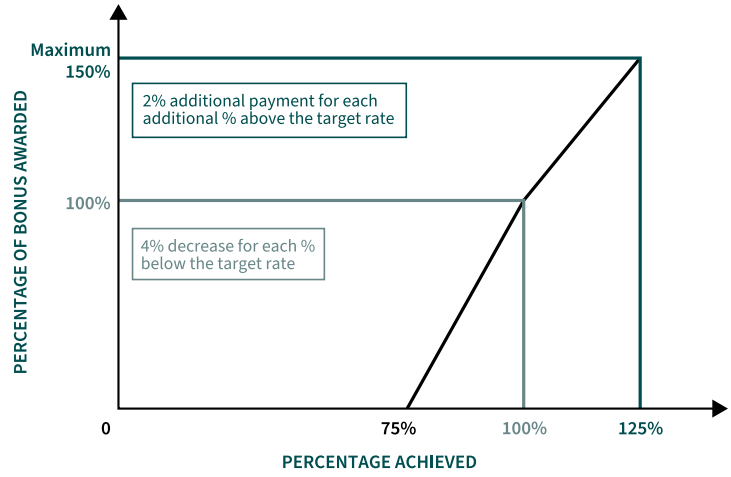
For the financial targets (70% of annual variable remuneration), the achievement rate must be at least 75% for each target for variable remuneration to be paid. If targets are met, the variable remuneration awarded corresponds to 100% of the target amount. If the achievement rate reaches or exceeds 125%, 150% of the target amount is paid out.

The percentage payment for the non-financial targets (30% of annual variable remuneration) may vary between 0% and 100% depending on the assessment made by the Board of the achievement rate of the targets.

| | Percentage of bonus awarded | As a % of fixed remuneration[1] |
|---|---|---|
| **Achievement rate of financial targets (70% of the bonus)[2]** | | |
| ≤ 75% | 0% | 0% |
| 100% | 100% | 105% |
| ≥ 125% | 150% | 158% |
| **Achievement rate of non-financial targets (30% of the bonus)** | | |
| Criterion 1 | 0% to 100% | 0% to 15% |
| Criterion 2 | 0% to 100% | 0% to 15% |
| Criterion 3 | 0% to 100% | 0% to 15% |
| **Maximum bonus (for achieving 125% of the financial targets and 100% of the non-financial targets)** | | **203%** |

(1) The Chairman and Chief Executive Officer's target annual variable remuneration equals 150% of his annual fixed remuneration.
(2) See graph below illustrating the rate of payment of the bonus depending on the achievement of financial targets.

### Share of the bonus relating to financial targets




Any achievement falling between the minimum (75%) and the target (100%) achievement rates or between the target and the maximum (125%) achievement rates will give rise to annual variable remuneration calculated on a straight-line basis between the relevant thresholds. For example, for 90% achievement of the target, an executive corporate officer would receive 60% of the annual variable remuneration; or for 110% achievement of the target, 120% of the annual variable remuneration.

## Long-term variable remuneration

### Awards of performance shares

Since 2020, the Chairman and Chief Executive Officer's long-term remuneration has been based on free grants of shares subject to performance conditions assessed over three years, replacing Kering Monetary Units (KMUs). This system tightens the link between his remuneration and his direct contribution to the long-term performance of the company, while also aligning his interests with those of shareholders.

This mechanism is accompanied by free share awards for employees in key positions within the Group.

The award of performance shares to the Chairman and Chief Executive Officer is capped at 20% of the total shares granted by the Board of Directors during each fiscal year, subject to an overall limit on awards equal to 1% of the Company's share capital on the award date.

The grant value of this long-term variable remuneration will be 150% of the sum of his annual fixed remuneration and his annual variable remuneration due in respect of the previous year.

This long-term variable remuneration is aimed at encouraging him to make decisions with a long-term view, aligning with the best international market practices by strengthening the link between his remuneration and the Group' performance. The Chairman and Chief Executive Officer's long-term variable remuneration does not include any guaranteed minimum amount.

The vesting period for the shares is three years, in line with the period over which the performance conditions are assessed and with customary market practice.

### Performance conditions

The long-term variable remuneration granted in the form of performance shares to the Chairman and Chief Executive Officer is subject to a dual performance condition mechanism that is intended to:

- make the number of shares actually obtained following the three-year vesting period conditional on the achievement of financial and non-financial targets, in line with the Group's strategic priorities;
- maintain the emphasis on the performance of the Kering share relative to that of a reference panel of luxury goods companies.

Accordingly, the number of performance shares awarded to the Chairman and Chief Executive Officer that ultimately vest is determined according to achievement of the following targets:

| Criteria | Performance assessment method | Relative weighting |
|---|---|---|
| **Consolidated recurring operating income**[(1)] | Increase observed between the average amount over the three-year vesting period (2025, 2026, and 2027) and the amount observed for the year preceding the year of the grant (2024)<br>• No increase: 0 shares<br>• Increase of less than 5%: 50% of the shares relating to the criterion<br>• Increase of 5% or more: 100% of the shares relating to the criterion | 40% |
| **Consolidated free cash flow from operations**[(1)] | Increase observed between the average amount over the three-year vesting period (2025, 2026, and 2027) and the amount observed for the year preceding the year of the grant (2024)<br>• No increase: 0 shares<br>• Increase of less than 5%: 50% of the shares relating to the criterion<br>• Increase of 5% or more: 100% of the shares relating to the criterion | 40% |
| **Proportion of women in executive management roles** | Proportion of women in Top 500 roles at 50% after the end of the vesting period<br>• Representation rate of women less than 40%: 0 shares<br>• Representation rate of women at least 40% but less than 45%: 50% of the shares relating to the criterion<br>• Representation rate of women at least 45% but less than 50%: 80% of the shares relating to the criterion<br>• Representation rate of women at least 50%: 100% of the shares relating to the criterion | 10% |
| **Biodiversity** | By 2027, in line with the targets validated by the SBTN (Science Based Targets Network), set in motion collaborative restoration and water, land and biodiversity regeneration programs in three priority drainage basins for Kering's activities<br>• One program set up: 0 shares<br>• Two programs set up: 50% of the shares relating to the criterion<br>• Three programs set up: 100% of the shares relating to the criterion | 5% |
| **Climate** | 12% reduction by 2027 in greenhouse gas emissions in absolute terms (scopes 1, 2 and 3 of the GHG Protocol) as part of the SBTi (Science Based Targets Initiative) verified target of net zero emissions by 2050<br>• Reduction of less than 5%: 0 shares<br>• Reduction of at least 5% but less than 12%: 50% of the shares relating to the criterion<br>• Reduction of at least 12%: 100% of the shares relating to the criterion | 5% |
| **Subtotal - shares vested** | **0% to 100%** | |
| **Kering share performance** | +/- 50% impact<br>See comment below. | |
| TOTAL shares vested | 0% to 150% of shares awarded | |

(1) See the details in section "Annual variable remuneration" above.

Provided that the above-described performance conditions and the service condition have been met, the number of vested performance shares will be adjusted upward or downward by a maximum proportion of 50%, depending on the performance of the Kering share price by comparison with the performance of a reference panel (followed in the same way). The panel comprises the shares of the following eight listed companies: Burberry, Ferragamo, Hermès, LVMH, Moncler, Prada, Richemont and Swatch. Performance is calculated based on the differential observed over the 20 days preceding the date of grant of the performance shares and the 20 days preceding the vesting date.

It follows that the number of vested shares based on the achievement of financial and non-financial targets may be halved if the Kering share underperforms the reference panel by more than 50%. Conversely, if the Kering share outperforms, the number of shares vesting may increase in proportion to this outperformance by up to 50%.

As a result, the number of shares for delivery to the Chairman and Chief Executive Officer at the end of the vesting period may vary from 0% to 150% of the number of shares initially awarded based on the financial, non-financial and share performance.

### Service condition

Vesting of the performance shares awarded to the Chairman and Chief Executive Officer is also subject to his continued presence within the Group on the vesting date.

If the Chairman and Chief Executive Officer leaves before the end of the vesting period, the reasons for his departure will determine whether he retains or loses his entitlement to the performance shares granted to him but not yet vested, as described below:

| Reason for departure | Consequence on performance shares not yet vested |
|---|---|
| **Termination (resignation, non-renewal of term of office, dismissal)** | Entitlement lost, barring a reasoned decision to the contrary by the Board of Directors and except where the person becomes an employee or corporate officer of another Group company. |
| **Disability** | Entitlement retained, with accelerated vesting. Performance criteria are deemed to be met in full, except for the adjustment mechanism based on share-price performance, which will be assessed on a pro-rata temporis basis. |
| **Death** | Entitlement retained, with accelerated vesting. Performance criteria are deemed to be met in full, except for the adjustment mechanism based on share-price performance, which will be assessed on a pro-rata temporis basis. |

### Lock-in obligation

In compliance with the provisions of Article L. 225-197-1 of the French Commercial Code, the Chairman and Chief Executive Officer must hold, in registered form, throughout his term of office, a number of performance shares awarded representing the value of two years of his annual fixed and variable remuneration at the date of delivery of the shares, as determined by the Board of Directors.

In addition, the Chairman and Chief Executive Officer undertakes to refrain from using hedging instruments, throughout his term of office, on any of the shares awarded to him under the performance share award mechanism.

## Exceptional remuneration

The Chairman and Chief Executive Officer will not be awarded any exceptional remuneration for 2025.

## Remuneration due in respect of duties as a Director (formerly known as Directors' fees)

The Chairman and Chief Executive Officer will not be awarded any remuneration in respect of his duties as a director for 2025.

## Benefits for taking up a position or termination payments

The Chairman and Chief Executive Officer will not be eligible for any benefits for taking up a position or termination payments.

## Supplementary pension plan

The Chairman and Chief Executive Officer will not be eligible for any supplementary pension plans.

## Non-compete indemnities

The Chairman and Chief Executive Officer will not be eligible for any non-compete indemnities.

## Benefits in kind

The Chairman and Chief Executive Officer will benefit from international health insurance policy and a company car with a driver.

## Draft resolution regarding the remuneration policy for the executive corporate officer

### *Ninth resolution: Approval of the remuneration policy for the executive corporate officer*

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings and having reviewed the Board of Directors' report on corporate governance, the Annual General Meeting approves, pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, the remuneration policy for the executive corporate officer as described in the aforementioned report, which is included in the 2024 Universal Registration Document, chapter 3 "Corporate governance", section 5.1 "Remuneration policy applicable to the Chairman and Chief Executive Officer (executive corporate officer) for 2025, subject to approval by the Annual General Meeting of April 24, 2025 (*ex-ante* vote)".

# 5.2 Remuneration policy applicable to the directors for 2025 subject to approval by the Annual General Meeting of April 24, 2025 (*ex-ante* vote)

## 5.2.1 General principles of the remuneration policy for members of the Board of Directors

The remuneration policy for directors is determined by the Board of Directors, based on the recommendation of the Remuneration Committee, and subject to approval in the Annual General Meeting. It is established in accordance with Article L. 22-10-8 of the French Commercial Code and with the recommendations of the AFEP-MEDEF Code.

Directors' remuneration consists of a fixed portion (40%) and a larger variable portion (60%) that depends on actual attendance at meetings of the Board of Directors and of the Committees of which they are members.

The Committee Chairs receive special remuneration to reflect their duties. The Lead Independent Director and the Climate Change Lead also receive an increased proportion of remuneration to reflect their responsibilities, as presented in sections 1.4 and 1.5 of this chapter.

The Remuneration Committee prepares and monitors the remuneration policy for the directors. The aggregate allocation awarded to directors and arrangements for its apportionment are approved every year by the Annual General Meeting.

The Board and Remuneration Committee meetings on the remuneration policy for directors are carried out in strict compliance with the procedures for preventing and managing conflicts of interest, which are described in the Board's internal rules. The relevant director does not participate in discussions or voting on resolutions relating to their own situation.

Financière Pinault, which controls Kering, has waived all remuneration in respect of its duties as a director within the Group (including as a director of Kering SA) and as a member of the Board's specialized Committees.

Concetta Battaglia and Vincent Schaal, the directors representing employees, both have a permanent employment contract with the Company or a Group company.

## 5.2.2 Components of the remuneration policy for members of the Board of Directors

In the Annual General Meeting of April 22, 2021, the maximum total annual remuneration that may be paid to members of the Board of Directors in respect of their duties was set at €1,400,000.

The proposal for the 2025 remuneration policy is to leave entirely unchanged the remuneration policy approved in 2024 by the Annual General Meeting. Accordingly, the aggregate allocation for directors' remuneration would remain capped €1,400,000, with an unchanged apportionment between the fixed portion (40%) and the variable portion (60%), with the later remaining contingent upon members' attendance in meetings of the Board of Directors and of the specialized Committees.

The components would thus continue to be allocated as follows:

- a fixed portion, minus (i) a special allowance as remuneration for the Chairs of the four Committees, namely the Audit Committee, Remuneration Committee, Appointments and Governance Committee and Sustainability Committee (€23,000 each), (ii) a special allowance allocated to the Lead Independent Director for her role on the Board (€75,000), and (iii) a special allowance allocated to the Climate Change Lead (€23,000), with the remainder being allocated with a coefficient of 1 per Board membership, increased by 0.5 per Committee;
- a variable portion, allocated with a coefficient of 1 per presence at each meeting of the Board and 0.5 for each attendance of a Committee meeting.

The remuneration allocated to the Lead Independent Director will be subject to the achievement of objectives set in advance by the Board of Directors. For 2025, these objectives will be as follows:

- promote and maintain a good relationship between the Board and its shareholders and investors;
- coordinate the internal assessment of the Board and its members;
- facilitate and build relationships within the Board, including by holding meetings without executive corporate officers;
- report, on a regular basis, to the Chairman of the Board on the performance of her duties.

This remuneration policy applies to all members of the Board of Directors, including directors representing employees but excluding Financière Pinault and the Chairman and Chief Executive Officer who since 2024 has no longer received remuneration in respect of his role as a director.

### Draft resolution regarding the remuneration policy for directors

***Tenth resolution: Approval of the remuneration policy for directors***

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings and having reviewed the Board of Directors' report on corporate governance, the Annual General Meeting approves, pursuant to the provisions of Article L. 22-10-8 of the French Commercial Code, the remuneration policy for directors as described in the aforementioned report, which is included in the 2024 Universal Registration Document, Chapter 3 "Corporate governance", section 5.2 "Remuneration policy applicable to the directors for 2025 subject to approval by the Annual General Meeting of April 24, 2025 (*ex-ante* vote)".

# 5.3 Report on the remuneration paid during or awarded for 2024 to corporate officers in respect of their duties (*ex-post* vote)

In accordance with Article L. 22-10-34 of the French Commercial Code, this report sets out below the information mentioned in Article L. 22-10-9 of the French Commercial Code, which is covered by the seventh resolution put to shareholders for approval in the April 24, 2025, Annual General Meeting.

## 5.3.1 Remuneration paid during or awarded for 2024 to the Chairman and Chief Executive Officer in respect of his duties

The tables below set out the remuneration components awarded or paid in 2024 to François-Henri Pinault in respect of his role as Chairman and Chief Executive Officer. The components were established in compliance with the remuneration policy for the executive corporate officers approved by shareholders at the Annual General Meeting of April 25, 2024 (fifteenth resolution).

Actual payment of annual variable compensation to the Chairman and Chief Executive Officer in respect of 2024 is subject to its approval by the Annual General Meeting of April 24, 2025, as provided for in Article L. 22-10-34 (II) of the French Commercial Code.

### Summary of executive corporate officers' remuneration

**Summary of remuneration and performance shares awarded to each executive corporate officer (Table 1 pursuant to the recommendations of the AFEP-MEDEF Code)**

**François-Henri Pinault**
***Chairman and Chief Executive Officer***

| **Gross amounts** *(in €)* | **2024** | **2023** |
|---|---|---|
| Remuneration awarded[1] (see details in Table 2) | 2,340,573 | 1,972,881 |
| Value of performance shares awarded during the year[2] (see details in Table 6) | 2,595,817 | 2,825,274 |
| Value of other long-term remuneration plans | N/A | N/A |
| TOTAL | 4,936,390 | 4,798,155 |

(1) Amounts awarded for the year.

(2) This amount is based on the number of performance shares awarded, measured at their fair value on the date of the award. In the consolidated financial statements, this amount is spread over the KMU vesting period, in accordance with IFRS 2.

## Summary of remuneration granted to each executive corporate officer (Table 2 pursuant to the recommendations of the AFEP-MEDEF Code)

| **François-Henri Pinault** ***Chairman and Chief Executive Officer*** **Gross amounts** *(in €)* | **2024** | | **2023** | |
|---|---|---|---|---|
| | **Amounts awarded for the year** | **Amounts paid during the year** | **Amounts awarded for the year** | **Amounts paid during the year** |
| Fixed remuneration | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 |
| Annual variable remuneration | 1,050,120 | 612,000 (1) | 612,000 | 943,200 (2) |
| Multi-annual variable remuneration | | | | |
| *2018 Plan* | – | *2,266,667* (3) | – | *705,057* (3) |
| *2019 Plan* | – | – | – | *1,991,952* (4) |
| Exceptional remuneration | – | – | – | – |
| Remuneration paid in respect of duties as a Director (Kering)(5) | – | 95,284 (1) | 95,284 | 93,931 (2) |
| Benefits in kind(6) | 90,453 | 90,453 | 65,597 | 65,597 |
| TOTAL | 2,340,573 | 4,264,404 | 1,972,881 | 4,999,737 |

(1) For 2023.

(2) For 2022.

(3) 5,411 KMUs (Kering Monetary Units) were awarded to the Chairman and Chief Executive Officer under the 2018 plan with respect to multi-annual variable remuneration subject to performance conditions, at €581 per KMU, corresponding to a value of €3,143,791 at the date of the award. These 5,411 KMUs were exercised by the Chairman and Chief Executive Officer in April 2022 based on a value of €1,387 per unit as of December 31, 2021, corresponding to an amount of €7,505,057. Following the decision by the Board of Directors on March 2, 2023, payment of this amount was deferred in full. A first payment of €705,057 was made in November 2023. At its meeting on December 7, 2023, the Board of Directors decided that the remainder would be paid in stages out to 2026. A second payment of €2,266,667 was made in April 2024.

(4) 4,175 KMUs (Kering Monetary Units) were awarded to the Chairman and Chief Executive Officer under the 2019 plan with respect to multi-annual variable remuneration subject to performance conditions, at €753 per KMU, corresponding to a value of €3,143,775 at the date of the award. Just one of the three performance criteria was met (relating to recurring operating income), leading to the cashing-in of 50% or 2,088 KMUs. Those 2,088 KMUs were exercised by the Chairman and Chief Executive Officer in October 2022 based on a value of €954 per unit at June 30, 2022, corresponding to an amount of €1,991,952. Following the decision made by the Board of Directors on March 2, 2023, to defer payment, the sum was paid out in full in May 2023.

(5) From 2024 onwards, the Chairman and Chief Executive Officer will not be awarded any remuneration in respect of his duties as a director, in accordance with the remuneration policy applicable to him. The amount paid in 2024 corresponds to the amount awarded to him in respect of 2023.

(6) The Chairman and Chief Executive Officer benefits from a company car with a driver and an international health insurance.

Annual remuneration due in respect of duties as a director of Kering in 2023 was paid in March 2024.

## Details relating to annual variable remuneration awarded for 2024

### Achievement rate of objectives in 2024 - François-Henri Pinault, Chairman and CEO

| Indicator | Target weighting | Targets and objectives *(in € millions)* | Thresholds | | | | | | Achieved *as a % of the target* | Rate of payment | Corresponding amount in € |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Minimum achievement rate *as a % of the target* | Payment *as a % of the index* | Target *as a % of the target* | Payment *as a % of the index* | Maximum achievement rate *as a % of the target* | Payment *as a % of the index* | | | |
| **Financial criteria** | | | | | | | | | | | |
| Consolidated recurring operating income | 35% | 4,288 | 75% | 0% | 100% | 100% | 125% | 150% | 59.6% (1) | 0% | 0 |
| Consolidated free cash flow from operations | 35% | 3,638 | 75% | 0% | 100% | 100% | 125% | 150% | 98.1% (2) | 92.4% | 582,120 |
| **TOTAL FINANCIAL CRITERIA** | **70%** | | | | | | | | **78.9%** | **46.2%** | **582,120** |
| **Non-financial criteria** | | | | | | | | | | | |
| Climate | 10% | See description on the next page | | | 100% | 100% | 100% | 100% | 100.0% | 100.0% | 180,000 |
| Organization and talent management | 10% | | | | 100% | 100% | 100% | 100% | 60.0% | 60.0% | 108,000 |
| Protection of the Group's intangible assets | 10% | | | | 100% | 100% | 100% | 100% | 100.0% | 100.0% | 180,000 |
| **TOTAL NON-FINANCIAL CRITERIA** | **30%** | | | | | | | | **86.7%** (3) | **86.7%** (3) | **468,000** |
| TOTAL VARIABLE REMUNERATION AWARDED | | | | | | | | | | | €1,050,120 |
| Variable remuneration achieved *(in €)* | | | | | | | | | | 1,050,120 | |
| Variable remuneration achieved *(as % of fixed remuneration)* | | | | | | | | | | 87.5% | |
| Target variable remuneration *(in €)* | | | | | | | | | | 1,800,000 | |
| Target variable remuneration *(as % of fixed remuneration)* | | | | | | | | | | 150% | |

(1) Consolidated recurring operating income: €2,554 million in 2024.
(2) Group's free cash flow from operations excluding non-budgeted scope impacts (excluding strategic real estate acquisitions): €3,568 million in 2024.
(3) 86.67%.

### Achievement of non-financial targets in 2024

| Non-financial criteria used to calculate annual variable remuneration | 2024 targets | Review of achievements | % of achievement |
|---|---|---|---|
| **Climate** | • 4% reduction in greenhouse gas emissions in absolute terms (scopes 1, 2 and 3 of the GHG Protocol) as part of the overall target of reducing them by 40% by 2035 | • The Group's greenhouse gas emissions declined by close to 15% in absolute terms between 2023 and 2024. They fell from 2.55 million tCO2eq as of December 31, 2023 to 2.16 million tCO2eq as of December 31, 2024. | 100.0% |
| **Organization and talent management** | • Reduction in the unexplained[(1)] gap between the fixed salaries of men and women within the Group (as calculated as part of the Universal Pay Check certification approach) from 1.6% to 1% in 2024 | • The unexplained[(1)] gap between the fixed salaries of men and women within the Group (as calculated as part of the Universal Pay Check certification approach) was reduced from 1.6% to 1.4% in 2024. | 33.3% |
| | • Strengthening of succession plans for the two Deputy CEOs and other members of the Executive Committee, the House CEOs, and Creative Directors | • In 2024, no key positions remained unfilled after a change affecting the Executive Committee, Executive Management or Creative Department of a House. | 100.0% |
| **Protection of the Group's intangible assets (image, reputation, intellectual property, compliance)** | • Strict compliance with the new internal control framework put in place for marketing and communications activities in order to protect the Group's reputation, and an absence of observed incidents | • No reputational risk incidents were recorded in 2024. Of the 36 controls performed at the Houses' request in connection with their marketing activities and campaigns, adjustments were made in 36% of cases to help safeguard the Group's reputation and the Houses' image. Two controls failed to reach satisfactory outcomes, causing the relevant projects to be scrapped, while 58% were validated without any adjustments being required. | 100.0% |
| **Subtotal** | | | **86.7%[(2)]** |

(1) The unexplained gap is the residual difference between the remuneration of men and women that cannot be explained by factors that may legitimately influence remuneration levels (such as the level of responsibility, the level of experience, geographical location, the profession concerned, etc.).

(2) 86.67%.

### History of annual variable remuneration payments

| **François-Henri Pinault** *Chairman and Chief Executive Officer* | **2020 (for 2019)** | **2021 (for 2020)** | **2022 (for 2021)** | **2023 (for 2022)** | **2024 (for 2023)** |
|---|---|---|---|---|---|
| **Gross amounts** *(in €)* | 947,088 | 0 [(1)] | 1,844,208 | 943,200 | 612,000 |

(1) In the context of the Covid-19 pandemic, the Chairman and Chief Executive Officer waived his right to receive the annual variable compensation due to him in respect of the 2020 fiscal year.

## Details relating to long-term variable remuneration for 2024

Since 2020, the executive corporate officers' long-term variable remuneration has consisted of free grants of shares subject to performance conditions, which have replaced the Kering Monetary Units (KMUs).

For the Chairman and Chief Executive Officer, the grant value of this long-term variable remuneration will be 150% of the sum of his annual fixed remuneration and his annual variable remuneration due in respect of the Y-1 year.

Acting pursuant to the authorization granted under the eighteenth resolution of the Annual General Meeting of April 25, 2024, the Board of Directors decided at its meeting of October 2, 2024, to award 11,517 performance shares to the Chairman and Chief Executive Officer, subject to a three-year vesting period.

### Performance shares awarded to executive corporate officers during the year

### (Table 6 pursuant to the recommendations of the AFEP-MEDEF Code)

| | Plan number and date | Number of shares awarded during the year | Value of shares based on the method used in the consolidated financial statements [1] | Vesting date | Availability date | Performance conditions |
|---|---|---|---|---|---|---|
| **François-Henri Pinault** ***Chairman and Chief Executive Officer*** | 2024 Plan of October 2, 2024 | 11,517 | €2,595,817 | October 2, 2027 | October 3, 2027 | 100% |

[1] The unit value of the performance shares awarded is assessed by an independent expert applying the Black & Scholes and Monte Carlo methods. It amounts to €225.39.

The performance shares awarded in 2024 to the Chairman and Chief Executive Officer are, in accordance with the remuneration policy approved in the April 25, 2024, AGM, subject to the following performance conditions:

| Criteria | Relative weighting | Performance assessment method |
|---|---|---|
| **Consolidated recurring operating income** | 40% | Increase observed between the average amount over the three-year vesting period (2024, 2025 and 2026) and the amount observed for the year preceding the year of the grant (2023)<br>• No increase: 0 shares<br>• Increase of less than 5%: 50% of the shares relating to the criterion<br>• Increase of 5% or more: 100% of the shares relating to the criterion |
| **Consolidated free cash flow from operations** | 40% | Increase observed between the average amount over the three-year vesting period (2024, 2025 and 2026) and the amount observed for the year preceding the year of the grant (2023)<br>• No increase: 0 shares<br>• Increase of less than 5%: 50% of the shares relating to the criterion<br>• Increase of 5% or more: 100% of the shares relating to the criterion |
| **Proportion of women in executive management role** | 10% | Increase the proportion of women in Top 500 roles to 50% by the end of the vesting period<br>• Proportion less than 42%: 0 shares<br>• Proportion at least 42% but less than 48%: 50% of the shares relating to the criterion<br>• Proportion at least 48% but less than 50%: 80% of the shares relating to the criterion<br>• Proportion at least 50%: 100% of the shares relating to the criterion |
| **Biodiversity** | 5% | Regenerative agriculture practices to be adopted by 2026 on 1,300,000 hectares of land linked to Kering's supply chain and protection of 1,000,000 hectares in key areas that are not part of the supply chain<br>• Neither target met: 0 shares<br>• One target met: 50% of the shares relating to the criterion<br>• Both targets met: 100% of the shares relating to the criterion |
| **Climate** | 5% | 10% reduction in greenhouse gas emissions in absolute terms (scopes 1, 2 and 3 of the GHG Protocol) by 2026<br>• Reduction of less than 3%: 0 shares<br>• Reduction of at least 3% but less than 10%: 50% of the shares relating to the criterion<br>• Reduction of at least 10%: 100% of the shares relating to the criterion |
| **Subtotal - shares vested** | **0% to 100%** | |
| **Kering share performance** | +/- 50% impact<br>See comment below | |
| TOTAL shares vested | 0% to 150% of shares awarded | |

Provided that the performance conditions and the service condition presented above have been met, the number of vested performance shares will be adjusted upward or downward by a maximum proportion of 50%, depending on the performance of the Kering share price by comparison with the performance of a reference panel (followed in the same way). The panel comprises the shares of the following eight listed companies: Burberry, Ferragamo, Hermès, LVMH, Moncler, Prada, Richemont and Swatch. Performance is calculated based on the differential observed over the period preceding the initial grant and the period preceding the definitive grant of the performance shares.

It follows that the number of vested shares based on the achievement of financial and non-financial targets may be halved if the Kering share underperforms the reference index by more than 50%. Conversely, if the Kering share outperforms, the number of shares vesting may increase in proportion to this outperformance by up to 50%.

As a result, the number of shares for delivery to the Chairman and Chief Executive Officer at the end of the vesting period may vary from 0% to 150% of the number of shares initially awarded based on the financial, non-financial and share performance.

The performance shares awarded to the Chairman and Chief Executive Officer in 2024 represent 0.009% of the Company's share capital on the date of the award.

### Performance shares vested during the year for each executive corporate officer (Table 7 pursuant to the recommendations of the AFEP-MEDEF Code)

| Executive corporate officers | Plan number and date | Number of shares vested during the year |
|---|---|---|
| **François-Henri Pinault**<br>***Chairman and Chief Executive Officer*** | Plan of October 1, 2021 | 2,009 |

### Achievement of performance conditions applicable to performance shares awarded to the Chairman and Chief Executive Officer in 2021 and vesting during the year

| Indicator | Relative weighting | Target | Outcome | % of achievement |
|---|---|---|---|---|
| Consolidated recurring operating income | 40% | Increase of 5% between the average amount over the three full-year periods covered by vesting period (2021, 2022 and 2023) and the amount observed for the year preceding the year of the grant (2020) | +63.2% | 100% |
| Consolidated free cash flow from operations | 40% | Increase of 5% between the average amount over the three full-year periods covered by vesting period (2021, 2022 and 2023) and the amount observed for the year preceding the year of the grant (2020) | +44.7% | 100% |
| Proportion of women in executive management roles | 10% | Lift the proportion of women in Top 450 roles to 45% by 2023 | 45% of Top 450 roles held by women as of December 31, 2023 | 100% |
| Biodiversity | 10% | Regenerative agriculture practices adopted by 2023 on 200,000 hectares of land linked to Kering's supply chain and protection of 500,000 hectares in key areas that are not part of the supply chain | As of December 31, 2023:<br>• Regenerative agriculture practices adopted on 694,000 hectares of land linked to Kering's supply chain and already adopted on 342,000 hectares<br>• 665,000 hectares of land unrelated to the supply chain protected through the purchase of voluntary carbon credits | 100% |
| *Subtotal - shares vested* | *4,018* | | | |
| Kering's share-price performance relative to that of a reference panel[(1)] | | Change in Kering's share price over the period preceding the initial grant and the period preceding the definitive grant of the performance shares, by comparison with the performance of the reference panel over the same period | Difference of 54.1 points | Impact of –50% |
| **Total shares vested** | **2,009** | | | |

(1) The reference panel consists of the following eight listed companies in the luxury sector: Burberry, Ferragamo, Hermès, LVMH, Moncler, Prada, Richemont and Swatch.

Note that following the appointment of Jean-François Palus as President and CEO of Gucci, after he had served as Group Managing Director until October 3, 2023, a decision was made in connection with the 2024 remuneration policy for executive corporate officers, approved by the Annual General Meeting of April 25, 2024 that he would retain the benefit of the performance shares awarded to him in 2021 and 2022 when he was Group Managing Director, as well as remaining subject to the applicable conditions. Accordingly, as the Chairman and Chief Executive Officer, in 2024 he received 50% of the performance shares awarded to him in 2021. Following the termination of his duties as Gucci's President and CEO and his departure from the Group on December 31, 2024, and in accordance with the terms of the 2022 plan, Jean-François Palus forfeited the performance shares that were awarded to him in 2022 but had not yet vested.

### Past awards of performance shares

### (Table 9 pursuant to the recommendations of the AFEP-MEDEF Code)

| | 2021 Plan | 2022 Plan | 2023 Plan | 2024 Plan |
|---|---|---|---|---|
| Date of approval by the Annual General Meeting | June 16, 2020 | April 28, 2022 | April 28, 2022 | April 25, 2024 |
| Date of Board meeting | October 1, 2021 | October 4, 2022 | October 3, 2023 | October 2, 2024 |
| Total number of shares granted | 42,752 | 74,274 | 73,222 | 221,159 [1] |
| *François-Henri Pinault, Chairman and CEO* | *4,018* | *9,281* | *7,004* | *11,517* |
| *o/w to the top ten employee beneficiaries (not corporate officers)* | *11,402* | *18,686* | *20,486* | *65,846* |
| Vesting date of the shares | October 1, 2024 | October 4, 2025 | October 3, 2026 | October 2, 2027 |
| End date of the lock-in period | n.a.[2] | n.a.[2] | n.a.[2] | n.a.[2] |
| Performance conditions applicable to corporate officers | 100% | 100% | 100% | 100% |
| Number of shares vested as of March 4, 2025 | 14,681 | 81 [3] | n.a. | n.a. |
| Aggregate number of shares canceled or forfeited | 28,071 | 29,544 | 14,137 | 16,995 |
| Shares remaining at the end of the reporting period | 0 | 44,649 | 59,085 | 204,164 |

(1) In addition to the annual grant of performance shares to the Company's executive corporate officers and certain Group employees, the Board of Directors approved on October 2, 2024, on an exceptional basis, an additional grant of free shares, which are not subject to a performance condition, to certain Group employees in connection with the Group's talent management policy. In total, 62,593 shares were granted under this additional plan. The Chairman and Chief Executive Officer did not receive any shares under the plan.

(2) Performance shares are subject to a three-year vesting period, with no lock-in period. In compliance with the provisions of Article L. 225-197-1 of the French Commercial Code, the Chairman and Chief Executive Officer must hold a number of the performance shares awarded in this way throughout his term of office, in registered form, corresponding to the amount set by the Board of Directors on February 11, 2020, which is two years of his annual fixed and variable remuneration at the date of delivery of the shares.

(3) During 2024, 81 shares were delivered early to an employee under the 2022 Plan in accordance with the provisions of the plan.

### Performance conditions applicable to the 2021, 2022, 2023 and 2024 performance shares plans

#### 2021 Plan

The performance conditions applicable to executive corporate officers under the 2021 Plan were based on four indicators and the following methods of assessment:

| Criteria | Relative weighting | Performance assessment method |
|---|---|---|
| **Consolidated recurring operating income** | 40% | Increase observed between the average amount over the three-year vesting period and the amount observed for the year preceding the year of the grant<br>• No increase: 0 shares<br>• Increase of less than 5%: 50% of the shares relating to the criterion<br>• Increase of at least 5%: 100% of the shares relating to the criterion |
| **Consolidated free cash flow from operations** | 40% | Increase observed between the average amount over the three-year vesting period and the amount shown for the year preceding the year of the grant<br>• No increase: 0 shares<br>• Increase of less than 5%: 50% of the shares relating to the criterion<br>• Increase of at least 5%: 100% of the shares relating to the criterion |
| **Proportion of women in executive management roles** | 10% | Increase the proportion of women in Top 450 roles to 45% by 2023<br>• Proportion less than 40%: 0 shares<br>• Proportion between 40% and 45%: 50% of the shares relating to the criterion<br>• Proportion at least 45%: 100% of the shares relating to the criterion |
| **Biodiversity** | 10% | Switchover to regenerative agriculture practices by 2023 on 200,000 hectares of land linked to Kering's supply chain and protection of 500,000 hectares in key areas that are not part of the supply chain<br>• No targets met: 0 shares<br>• One target met: 50% of the shares relating to the criterion<br>• Both targets met: 100% of the shares relating to the criterion |
| **Subtotal - shares vested** | **0% to 100%** | |
| **Kering share performance** | +/- 50% impact<br>Please see comment below | |
| TOTAL shares vested | 0% to 150% of shares awarded | |

Provided that the above-described performance conditions and the service condition have been met, the number of vested performance shares will be adjusted upward or downward by a maximum proportion of 50%, depending on the performance of the Kering share price (difference in price between the period before the initial award and the period before the final vesting) relative to the performance of a reference panel (followed in the same way) over the same period. The reference panel comprises the shares of the following eight listed companies: Burberry, Ferragamo, Hermès, LVMH, Moncler, Prada, Richemont and Swatch.

The level of achievement of the performance conditions applicable to the shares granted in 2021 to the executive corporate officer and vested in 2024 is detailed on page 145 above.

### 2022 Plan

The performance conditions applicable to executive corporate officers under the 2022 plan are based on four indicators and the following methods of assessment:

| Criteria | Relative weighting | Performance assessment method |
|---|---|---|
| **Consolidated recurring operating income** | 40% | Increase observed between the average amount over the three-year vesting period and the amount observed for the year preceding the year of the grant<br>• No increase: 0 shares<br>• Increase of less than 5%: 50% of the shares relating to the criterion<br>• Increase of at least 5%: 100% of the shares relating to the criterion |
| **Consolidated free cash flow from operations** | 40% | Increase observed between the average amount over the three-year vesting period and the amount shown for the year preceding the year of the grant<br>• No increase: 0 shares<br>• Increase of less than 5%: 50% of the shares relating to the criterion<br>• Increase of at least 5%: 100% of the shares relating to the criterion |
| **Proportion of women in executive management roles** | 10% | Lift the proportion of women in Top 450 roles to 48% by 2024<br>• Proportion less than 40%: 0 shares<br>• Proportion between 40% and 48%: 50% of the shares relating to the criterion<br>• Proportion ≥ 48%: 100% of the shares relating to the criterion |
| **Biodiversity** | 10% | Switchover to regenerative agriculture practices by 2024 on 400,000 hectares of land linked to Kering's supply chain and protection of 500,000 hectares in key areas that are not part of the supply chain<br>• No targets met: 0 shares<br>• One target met: 50% of the shares relating to the criterion<br>• Both targets met: 100% of the shares relating to the criterion |
| **Subtotal - shares vested** | **0% to 100%** | |
| **Kering share performance** | +/- 50% impact<br>Please see comment below | |
| TOTAL shares vested | 0% to 150% of shares awarded | |

Provided that the above-described performance conditions and the service condition have been met, the number of vested performance shares will be adjusted upward or downward by a maximum proportion of 50%, depending on the performance of the Kering share price (difference in price between the period before the initial award and the period before the final vesting) relative to the performance of a reference panel (followed in the same way) over the same period. The reference panel comprises the shares of the following eight listed companies: Burberry, Ferragamo, Hermès, LVMH, Moncler, Prada, Richemont and Swatch.

### 2023 Plan

The performance conditions applicable to the Chairman and Chief Executive Officer under the 2023 plan are based on four indicators and the following methods of assessment:

| Criteria | Relative weighting | Performance assessment method |
|---|---|---|
| **Consolidated recurring operating income** | 40% | Increase observed between the average amount over the three-year vesting period (2023, 2024 and 2025) and the amount observed for the year preceding the year of the grant (2022)<br>• No increase: 0 shares<br>• Increase of less than 5%: 50% of the shares relating to the criterion<br>• Increase of at least 5%: 100% of the shares relating to the criterion |
| **Consolidated free cash flow from operations** | 40% | Increase observed between the average amount over the three-year vesting period (2023, 2024 and 2025) and the amount shown for the year preceding the year of the grant (2022)<br>• No increase: 0 shares<br>• Increase of less than 5%: 50% of the shares relating to the criterion<br>• Increase of at least 5%: 100% of the shares relating to the criterion |
| **Proportion of women in executive management roles** | 10% | Increase the proportion of women in Top 500 roles to 50% by the end of the vesting period<br>• Proportion less than 42%: 0 shares<br>• Proportion at least 42% but less than 48%: 50% of the shares relating to the criterion<br>• Proportion at least 48% but less than 50%: 80% of the shares relating to the criterion<br>• Proportion at least 50%: 100% of the shares relating to the criterion |
| **Biodiversity** | 10% | Regenerative agriculture practices to be adopted by 2025 on 1,000,000 hectares of land linked to Kering's supply chain and protection of 1,000,000 hectares in key areas that are not part of the supply chain<br>• Neither target met: 0 shares<br>• One target met: 50% of the shares relating to the criterion<br>• Both targets met: 100% of the shares relating to the criterion |
| **Subtotal - shares vested** | **0% to 100%** | |
| **Kering share performance** | +/- 50% impact<br>Please see comment below | |
| TOTAL shares vested | 0% to 150% of shares awarded | |

Provided that the above-described performance conditions and the service condition have been met, the number of vested performance shares will be adjusted upward or downward by a maximum proportion of 50%, depending on the performance of the Kering share price (difference in price between the period before the initial award and the period before the final vesting) relative to the performance of a reference panel (followed in the same way) over the same period. The reference panel comprises the shares of the following eight listed companies: Burberry, Ferragamo, Hermès, LVMH, Moncler, Prada, Richemont and Swatch.

### 2024 Plan

The performance conditions applicable to the Chairman and Chief Executive Officer under the 2024 plan are described in Table 6 above.

## Summary of multi-annual variable remuneration granted to each executive corporate officer (Table 10 pursuant to the recommendations of the AFEP-MEDEF Code)

Information about performance share grants is presented in Table 9 above.

## Stock options awarded during the year to each executive corporate officer by Kering or any Group company (Table 4 pursuant to the recommendations of the AFEP-MEDEF Code)

| | Plan number and date | Type of option (purchase or subscription) | Value of options based on the method used in the consolidated financial statements | Number of options awarded during the year | Exercise price | Exercise period |
|---|---|---|---|---|---|---|
| **François-Henri Pinault**<br>***Chairman and Chief Executive Officer*** | N/A | N/A | N/A | N/A | N/A | N/A |

### Stock options exercised during the year by each executive corporate officer
### (Table 5 pursuant to the recommendations of the AFEP-MEDEF Code)

| | Plan number and date | Number of options exercised during the year | Exercise price |
|---|---|---|---|
| **François-Henri Pinault**<br>***Chairman and Chief Executive Officer*** | N/A | N/A | N/A |

### Past awards of stock subscription or purchase options
### (Table 8 pursuant to the recommendations of the AFEP-MEDEF Code)

Not applicable. No stock subscription or purchase options are outstanding.

## Exceptional remuneration

No exceptional remuneration was awarded or paid to the Chairman and Chief Executive Officer in 2024, in accordance with the remuneration policy approved by the Annual General Meeting on April 25, 2024.

### Summary of the benefits awarded to executive corporate officers
### (Table 11 pursuant to the recommendations of the AFEP-MEDEF Code)

| | Employment contract | | Supplementary pension plan | | Indemnities or benefits owed or that may be payable on termination or change of duties | | Indemnities relating to a non-competition clause | |
|---|---|---|---|---|---|---|---|---|
| **Executive corporate officers** | **Yes** | **No** | **Yes** | **No** | **Yes** | **No** | **Yes** | **No** |
| **François-Henri Pinault**<br>***Chairman and Chief Executive Officer***<br>Start of term of office: May 19, 2005<br>Expiry of term of office: 2025 AGM | | X | | X | | X | | X |

## Other information and commitments

The executive corporate officers have formally undertaken not to use hedges on their performance shares and no such hedges are currently in place.

## Pay ratios between the level of remuneration of the executive corporate officers and the average and median remuneration of Company employees

In accordance with Article L. 22-10-9 of the French Commercial Code, the following table presents the ratios between the level of remuneration of the executive corporate officers and the average and median remuneration of Company employees on a full-time equivalent basis over the past five years.

These ratios were established in line with the AFEP guidelines on remuneration multiples published on January 28, 2020, and updated in February 2021. The relevant executive corporate officers are the Chairman and Chief Executive Officer and the Group Managing Director, as both these posts existed within the Group over the past five years.

For the executive corporate officers, the components of remuneration taken into account are:

- fixed remuneration in year Y;
- annual variable remuneration paid in year Y for year Y-1;
- the value of the long-term remuneration granted during the year;
- remuneration paid in respect of duties as a Director (formerly known as Directors' fees) paid in Y;
- exceptional remuneration (where applicable) granted in Y;
- benefits in kind.

For the employees (on a full-time equivalent basis), the components of remuneration taken into account are:

- fixed remuneration in Y;
- annual variable remuneration paid in year Y for year Y-1;
- individual bonuses paid in Y;
- profit-sharing and incentives paid in year Y;
- the value of performance shares granted during the year at their IFRS value;
- the value of any other long-term incentives awarded;
- benefits in kind.

The ratios are calculated on the basis of remuneration paid and awarded during the year.

To make them more representative, these pay ratios have been calculated for two different scopes of analysis:

- the legal scope covering Kering SA, the listed company, with 813 employees in 2024;
- a broader scope of analysis including employees of Kering SA as well as employees of all its subsidiaries located in France, over which Kering SA has exclusive control within the meaning of Article L. 233-16 II of the French Commercial Code, i.e., 4,984 employees in 2024, representing 100% of Kering's workforce in France.

| **Chairman and CEO** | **2020** | **2021** | **2022** | **2023** | **2024** |
|---|---|---|---|---|---|
| Remuneration *(in €)* | 4,272,823 | 3,813,206 | 7,471,220 | 5,128,002 | 4,593,554 |
| **Kering SA scope of analysis** | | | | | |
| Average remuneration *(in €)* | 117,010 | 97,196 | 107,506 | 103,692 | 115,240 |
| Ratio versus average remuneration | 36.5 | 39.2 | 69.5 | 49.5 | 39.9 |
| Median remuneration *(in €)* | 78,859 | 72,861 | 74,463 | 74,836 | 80,152 |
| Ratio versus median remuneration | 54.2 | 52.3 | 100.3 | 68.5 | 57.3 |
| **Expanded scope of analysis (Kering SA and all Houses – France)** | | | | | |
| Average remuneration *(in €)* | 66,967 | 65,418 | 74,261 | 73,521 | 79,167 |
| Ratio versus average remuneration | 63.8 | 58.3 | 100.6 | 69.7 | 58.0 |
| Median remuneration *(in €)* | 45,876 | 46,607 | 56,152 | 52,904 | 54,011 |
| Ratio versus median remuneration | 93.1 | 81.8 | 133.1 | 96.9 | 85.0 |

| **Group Managing Director**[1] | **2020** | **2021** | **2022** | **2023** | **2024** |
|---|---|---|---|---|---|
| Remuneration *(in €)* | 3,972,865 | 3,253,547 | 5,586,774 | 2,433,885 | n.a. |
| **Kering SA scope of analysis** | | | | | |
| Average remuneration *(in €)* | 117,010 | 97,196 | 107,506 | 103,692 | 115,240 |
| Ratio versus average remuneration | 34.0 | 33.5 | 52.0 | 23.5 | n.a. |
| Median remuneration *(in €)* | 78,859 | 72,861 | 74,463 | 74,836 | 80,152 |
| Ratio versus median remuneration | 50.4 | 44.7 | 75.0 | 32.5 | n.a. |
| **Expanded scope of analysis (Kering SA and all Houses – France)** | | | | | |
| Average remuneration *(in €)* | 66,967 | 65,418 | 74,261 | 73,521 | 79,167 |
| Ratio versus average remuneration | 59.3 | 49.7 | 75.2 | 33.1 | n.a. |
| Median remuneration *(in €)* | 45,876 | 46,607 | 56,152 | 52,904 | 54,011 |
| Ratio versus median remuneration | 86.6 | 69.8 | 99.5 | 46.0 | n.a. |

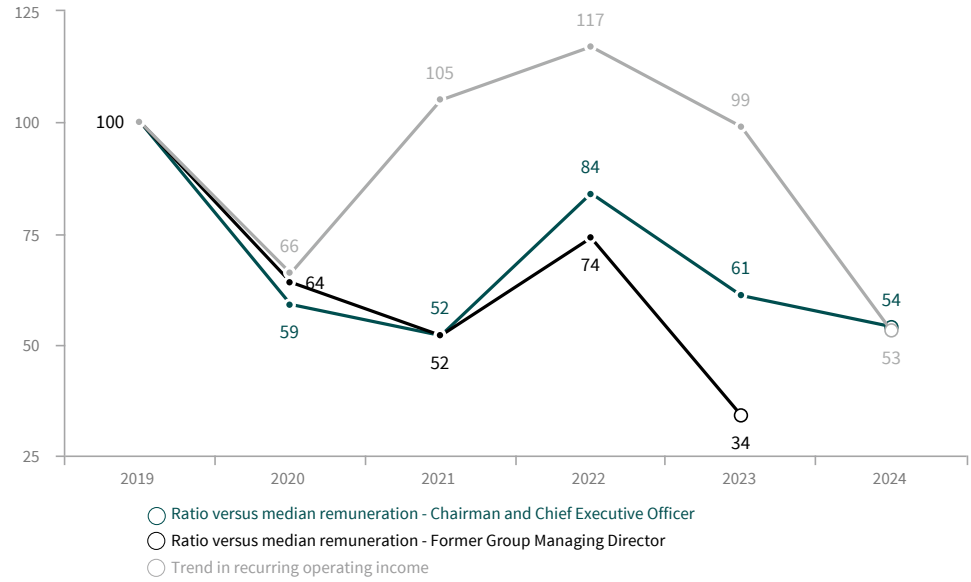
| *(in € millions)* | **2020** | **2021** | **2022** | **2023** | **2024** |
|---|---|---|---|---|---|
| Recurring operating income | 3,135 | 5,017 | 5,589 | 4,746 | 2,554 |

(1) Jean-François Palus held the position of Group Managing Director of Kering from February 26, 2008, until October 3, 2023. In accordance with the AFEP guidelines, his remuneration for 2023 was annualized.

The following chart shows trends in pay ratios for the Chairman and Chief Executive Officer and the former Group Managing Director (ratio with employees' median remuneration) based on the scope of analysis comprising Kering SA and all the Houses in France, plotted against trends in the Group's recurring operating income.

The levels shown for each year indicate the change versus 2019, which has been converted to a baseline figure of 100.

**Comparative trends in the pay ratio for the executive corporate officers and recurring operating income rebased 100 in 2019 (Kering SA scope of analysis)**




The significant decline in the ratios for 2020 and 2021 is due respectively to:

- the decrease in the variable remuneration paid to the executive corporate officers in respect of the 2019 results, owing to the level of achievement of the criterion related to the consolidated free cash flow from operations and decisions made by the Board of Directors on April 20, 2020, in the context of the Covid-19 pandemic;
- the absence of any annual variable remuneration being paid in 2021 in respect of 2020 (because it was waived in view of the Covid-19 pandemic).

The key factors behind the increase in the ratios seen in 2022 were:

- the payment of annual variable remuneration for 2021, whereas no annual variable remuneration was paid in 2021 for 2020 (because it was waived in view of the Covid-19 pandemic);
- changes to the target amounts for annual variable remuneration and for long-term variable remuneration set for the executive corporate officers.

The key factors behind the decrease in the ratios seen in 2023 were:

- the decrease in the annual variable remuneration paid in 2023 to the executive corporate officers with respect to 2022, owing to the level of achievement of the applicable performance conditions;
- the award of a lower amount of long-term variable remuneration to the Chairman and Chief Executive Officer in 2023;
- the absence of any long-term variable remuneration awarded to the Group Managing Director in office until October 3, 2023, with respect to or during his role as Group Managing Director.

The key factors behind the decrease in the ratios seen in 2024 for the Chairman and Chief Executive Officer were:

- a lower annual variable remuneration paid in 2024 compared to 2023;
- and, as a result, a decrease in the long-term variable remuneration awarded in 2024.

## Draft resolutions regarding the remuneration paid during or awarded for 2024 to executive corporate officers in respect of their duties (ex-post vote)

***Eighth resolution: Approval of the fixed, variable and exceptional components of total remuneration and benefits in kind paid during or awarded in respect of the year ended December 31, 2024, to François-Henri Pinault, Chairman and Chief Executive Officer***

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings, in application of the provisions of Article L. 22-10-34, II of the French Commercial Code, and having reviewed the Board of Directors' report on corporate governance, the Annual General Meeting approves the fixed, variable and exceptional components of total remuneration and benefits in kind paid or awarded to François-Henri Pinault, Chairman and Chief Executive Officer, for the year ended December 31, 2024. These components are presented in Kering's 2024 Universal Registration Document in chapter 3, "Corporate governance", section 5.3.1, "Remuneration paid during or awarded for 2024 to the Chairman and Chief Executive Officer (executive corporate officer) in respect of his duties".

## 5.3.2 Remuneration paid during or awarded for 2024 to the members of the Board of Directors in respect of their duties

**(Table 3 pursuant to the recommendations of the AFEP-MEDEF Code)**

| Member of the Board of Directors | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| Gross amounts *(in €)* | Allocation of remuneration | Amounts awarded | Amounts paid | Amounts awarded | Amounts paid |
| **François-Henri Pinault**[1] | **Total remuneration** | **–** | **95,284** | **95,284** | **93,931** |
| | Fixed portion | – | 26,431 | 26,431 | 27,981 |
| | Variable portion | – | 68,853 | 68,853 | 65,950 |
| **Concetta Battaglia** | **Total remuneration** | **119,187** | **113,274** | **113,274** | **102,066** |
| | Fixed portion | 37,236 | 35,242 | 35,242 | 32,645 |
| | Variable portion | 81,951 | 78,032 | 78,032 | 69,421 |
| **Maureen Chiquet**[2] | **Total remuneration** | **89,390** | **28,639** | **28,639** | **–** |
| | Fixed portion | 27,927 | 10,279 | 10,279 | – |
| | Variable portion | 61,463 | 18,360 | 18,360 | – |
| | **Other**[3] | **–** | **100,000** | **200,000** | **100,000** |
| **Yseulys Costes**[4] | **Total remuneration** | **–** | **–** | **–** | **72,999** |
| | Committee Chair (until April 28, 2022) | – | – | – | 7,667 |
| | Fixed portion | – | – | – | 20,209 |
| | Variable portion | – | – | – | 45,124 |
| **Jean-Pierre Denis** | **Total remuneration** | **177,951** | **165,741** | **165,741** | **140,783** |
| | Committee Vice-Chair (until April 28, 2022) | – | – | – | 3,900 |
| | Committee Chair (between January 9 and April 25, 2024) | 7,207 | – | – | – |
| | Climate Change Lead | 23,000 | 23,000 | 23,000 | – |
| | Fixed portion | 41,890 | 44,052 | 44,052 | 46,635 |
| | Variable portion | 105,854 | 98,689 | 98,689 | 90,248 |
| **Yonca Dervisoglu** | **Total remuneration** | **108,943** | **99,504** | **99,504** | **53,003** |
| | Fixed portion | 37,236 | 35,242 | 35,242 | 21,763 |
| | Variable portion | 71,707 | 64,262 | 64,262 | 31,240 |
| **Dominique D'Hinnin**[5] | **Total remuneration** | **91,688** | **–** | **–** | **–** |
| | Committee Chair (from April 25, 2024) | 15,333 | – | – | – |
| | Fixed portion | 21,721 | – | – | – |
| | Variable portion | 54,634 | – | – | – |
| **Rachel Duan**[5] | **Total remuneration** | **58,042** | **–** | **–** | **–** |
| | Fixed portion | 17,066 | – | – | – |
| | Variable portion | 40,976 | – | – | – |
| **Financière Pinault, represented by Héloïse Temple-Boyer**[6] | **Total remuneration** | **–** | **–** | **–** | **–** |
| | Fixed portion | – | – | – | – |
| | Variable portion | – | – | – | – |
| **Sophie L'Hélias**[7] | **Total remuneration** | **–** | **–** | **–** | **67,057** |
| | Lead Independent Director (until March 4, 2022) | – | – | – | 12,500 |
| | Fixed portion | – | – | – | 23,318 |
| | Variable portion | – | – | – | 31,240 |
| **Claire Lacaze**[8] | **Total remuneration** | **–** | **–** | **–** | **62,586** |
| | Fixed portion | – | – | – | 13,991 |
| | Variable portion | – | – | – | 48,595 |
| **Jean Liu**[9] | **Total remuneration** | **–** | **–** | **–** | **17,461** |
| | Fixed portion | – | – | – | 13,990 |
| | Variable portion | – | – | – | 3,471 |

| Member of the Board of Directors | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| Gross amounts *(in €)* | Allocation of remuneration | Amounts awarded | Amounts paid | Amounts awarded | Amounts paid |
| **Giovanna Melandri**[5] | **Total remuneration** | **73,375** | **–** | **–** | **–** |
| | Committee Chair (from April 25, 2024) | 15,333 | – | – | – |
| | Fixed portion | 17,066 | – | – | – |
| | Variable portion | 40,976 | – | – | – |
| **Jean-François Palus**[10] | **Total remuneration** | **-** | **68,113** | **68,113** | **93,931** |
| | Fixed portion | - | 17,621 | 17,621 | 27,981 |
| | Variable portion | - | 50,492 | 50,492 | 65,950 |
| **Baudouin Prot** | **Total remuneration** | **96,220** | **95,284** | **95,284** | **104,345** |
| | Fixed portion | 27,927 | 26,431 | 26,431 | 27,981 |
| | Variable portion | 68,293 | 68,853 | 68,853 | 76,364 |
| **Daniela Riccardi**[11] | **Total remuneration** | **–** | **37,635** | **37,635** | **91,653** |
| | Fixed portion | – | 14,684 | 14,684 | 32,645 |
| | Variable portion | – | 22,951 | 22,951 | 59,008 |
| **Vincent Schaal** | **Total remuneration** | **103,049** | **109,054** | **109,054** | **34,817** |
| | Fixed portion | 27,927 | 26,431 | 26,431 | 13,991 |
| | Variable portion | 75,122 | 82,623 | 82,623 | 20,826 |
| **Tidjane Thiam**[12] | **Total remuneration** | **1,205** | **120,209** | **120,209** | **147,085** |
| | Committee Chair (until January 9, 2024) | 460 | 23,000 | 23,000 | 23,000 |
| | Fixed portion | 745 | 35,242 | 35,242 | 37,308 |
| | Variable portion | – | 61,967 | 61,967 | 86,777 |
| **Emma Watson**[13] | **Total remuneration** | **32,186** | **86,153** | **86,153** | **89,163** |
| | Committee Chair (until April 25, 2024) | 7,667 | 23,000 | 23,000 | 23,000 |
| | Fixed portion | 10,860 | 26,431 | 26,431 | 27,981 |
| | Variable portion | 13,659 | 36,722 | 36,722 | 38,182 |
| **Véronique Weill** | **Total remuneration** | **273,366** | **224,551** | **224,551** | **138,765** |
| | Lead Independent Director and Committee Chair | 98,000 | 73,000 | 73,000 | 48,667 |
| | Fixed portion | 55,854 | 52,862 | 52,862 | 31,090 |
| | Variable portion | 119,512 | 98,689 | 98,689 | 59,008 |
| **Serge Weinberg** | **Total remuneration** | **175,398** | **156,560** | **156,560** | **90,355** |
| | Committee Chair | 23,000 | 23,000 | 23,000 | 15,333 |
| | Fixed portion | 46,544 | 44,052 | 44,052 | 26,427 |
| | Variable portion | 105,854 | 89,508 | 89,508 | 48,595 |
| TOTAL | | 1,400,000 | 1,400,000[14] | 1,400,000[14] | 1,400,000[14] |

(1) From 2024 onwards, the Chairman and Chief Executive Officer will not be awarded any remuneration in respect of his duties as a director, in accordance with the remuneration policy applicable to him. The amount paid in 2024 corresponds to the amount awarded to him in respect of 2023.
(2) The term of office of Maureen Chiquet began on September 1, 2023.
(3) Amount due under the service agreement authorized by the Board of Directors on July 18, 2023, in accordance with Article L. 225-38 of the French Commercial Code and approved by the Annual General Meeting of April 25, 2024, pursuant to its eleventh resolution. This amount, to be paid in two installments (2023 and 2024), is separate from the remuneration due to her in respect of her role as a director and thus will not be taken from the overall amount of remuneration allocated to the directors. The agreement, which was entered into for a six-month period, expired on December 31, 2023.
(4) The term of office of Yseulys Costes expired on April 28, 2022.
(5) The terms of office of Dominique D'Hinnin, Rachel Duan and Giovanna Melandri began on April 25, 2024.
(6) Financière Pinault, represented by Héloïse Temple-Boyer, waived its remuneration as a director.
(7) The term of office of Sophie L'Hélias expired on March 4, 2022.
(8) The term of office of Claire Lacaze expired on July 31, 2022.
(9) The term of office of Jean Liu expired on July 27, 2022.
(10) The term of office of Jean-François Palus expired on October 3, 2023.
(11) The term of office of Daniela Riccardi expired on April 27, 2023.
(12) The term of office of Tidjane Thiam expired on January 9, 2024.
(13) The term of office of Emma Watson expired on April 25, 2024.
(14) Excluding the amount allocated to Maureen Chiquet under the service agreement entered into with her, as explained above.

Neither the Company, nor any company that it controls, has made any commitment to its corporate officers on account of the commencement, termination or change of their duties or subsequent thereto.

No non-executive director has been granted any particular benefit or specific pension plan. They are not entitled to any conditional or deferred remuneration.

For 2024, a total amount of €1,400,000 will be paid to the directors, in accordance with the remuneration policy for Directors approved by the AGM of April 25, 2024 (sixteenth resolution), apportioned as follows:

- €560,000 for the fixed portion, or 40% of the total remuneration awarded to directors, of which €92,000 for the special allowance awarded to the Chairs of the Audit, Remuneration, Appointments and Governance, and Sustainability Committees, a €75,000 special allowance allocated to Véronique Weill for her duties as Lead Independent Director and a €23,000 special allowance allocated to Jean-Pierre Denis for his duties as Climate Change Lead;
- €840,000 for the variable portion (60% of the total remuneration awarded to directors), based on their actual attendance at Board and Committees meetings.

Corporate Board member (and controlling company) Financière Pinault has waived all remuneration in respect of its duties as a director. In addition, from 2024 onwards, no remuneration in respect of his duties as a director will be awarded to the Chairman and Chief Executive Officer.

The remuneration policy for Directors in 2025, subject to approval in the April 24, 2025 AGM, is presented in section 5.2 of this chapter.

## Draft resolution regarding the remuneration paid during or awarded for 2024 to corporate officers

***Seventh resolution: Approval of the information referred to in Article L. 22-10-9 I of the French Commercial Code relating to remuneration paid during or awarded in respect of the year ended December 31, 2024, to corporate officers***

Deliberating in accordance with the rules of quorum and majority applicable to ordinary general meetings and in application of the provisions of Article L. 22-10-34, I of the French Commercial Code, the Annual General Meeting, having reviewed the Board of Directors' report on corporate governance, approves the information referred to in Article L. 22-10-9, I of the French Commercial Code relating to the remuneration and benefits in kind paid during or awarded for the year ended December 31, 2024, to corporate officers, as described in the aforementioned report, which is included in the 2024 Universal Registration Document, chapter 3 "Corporate governance", section 5.3 "Report on the remuneration paid during or awarded for 2024 to corporate officers in respect of their duties (*ex-post* vote)".

# CHAPTER 4
# Sustainability statements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This chapter – including references to other parts of the Universal Registration Document – constitutes the Kering group's sustainability statements for 2024 prepared in accordance with Directive (EU) 2022/2464 of 14 December 2022 (Corporate Sustainability Reporting Directive or CSRD), transposed into French law by order No 2023-1142 of 6 December 2023. It sets out the information required by Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing the CSRD as regards sustainability reporting standards (ESRS), and by Regulation (EU) 2020/852 (the "Taxonomy Regulation") as supplemented by Delegated Regulations (EU) 2021/2139 (the "Climate Delegated Regulation"), (EU) 2021/2178, (EU) 2023/2485 and (EU) 2023/2486. The Duty of Care Plan is presented in chapter 5 of this document ("Risk management and internal control").

# 1 - GENERAL INFORMATION: SUSTAINABILITY AT KERING

## 1.1 Strategy, business model and value chain

### 1.1.1 Kering: a global luxury group

Kering is a global luxury group operating in 55 countries around the world. In 2024, it generated revenue of €17,194 million and at the end of the year had 46,936 employees. Section 3.1.8.1 provides a workforce breakdown by geography.

Kering's vision – embracing creativity for a luxury that combines heritage and boldness – along with its ambition, value creation model, strategy (see chapter 1 section 5), revenue (see chapter 1 section 2.2), product categories, markets, distribution channels and client segments (see chapter 1 section 6) are presented in chapter 1.

Kering generates nearly all of its revenue from its fashion, leather goods, jewelry, and eyewear businesses (see chapter 6 – Note 3). In 2023, Kering announced the creation of Kering Beauté in order to develop its expertise in the beauty segment for Bottega Veneta, Balenciaga, Alexander McQueen, Pomellato and Qeelin, and it acquired high-end luxury fragrance House Creed. In 2024, this activity has no material impact on revenues.

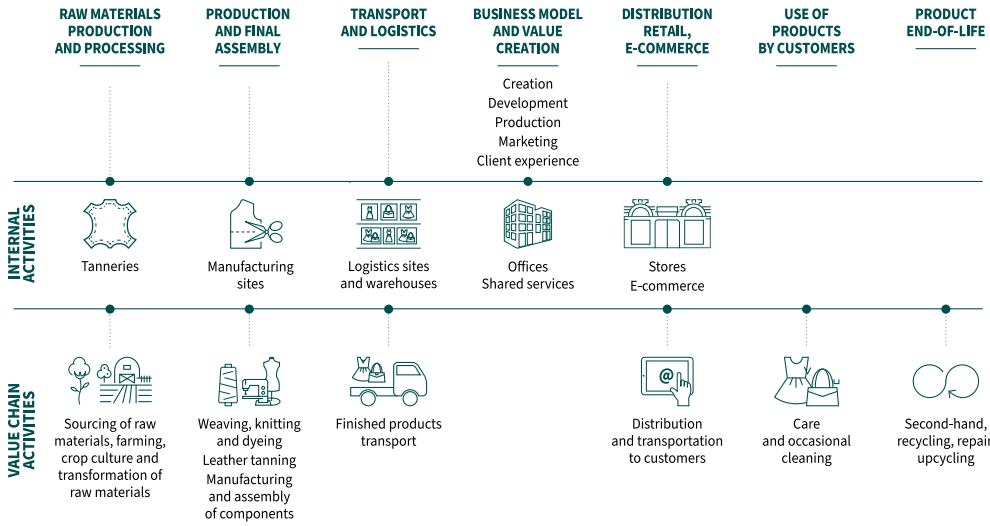
The following information should be noted:

- the Group does not carry out any activities in the fossil energy, controversial weapons or tobacco sectors;
- the Group complies with bans on certain raw materials in certain markets.

Sustainability lies at the heart of Kering's strategy and business model (see chapter 1 section 5) and is the subject of a dedicated strategy for the period until 2025. That strategy has three pillars: Care for the planet, Collaborate with people, and Create new business models. It identifies priorities and defines targets for 2025, and is now fully integrated within the broader framework of sustainability topics as defined by the CSRD (Corporate Sustainability Reporting Directive) and ESRS (European Sustainability Reporting Standards). The strategy played a key role in identifying sustainability topics during the double materiality assessment (see section 1.2.1). Kering's Sustainability Strategy applies to the whole Group, covering all its geographies, markets, products and customers. It is being implemented within each of the Houses, which translate the Group's commitments into action plans and report on the progress made. The Group's sustainability objectives and actions are also aligned with the United Nations Sustainable Development Goals (SDGs).

### Kering's value chain

The Group's value chain can be simplified as seven key steps that reflect 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. The Group's value creation model is presented in chapter 1 section 4, which sets out the main categories of resources and capital used by the Group. The main materials used by Kering in making its products are leather, paper and cardboard, plastics, plant fibers (cotton, linen, etc.) and metals.



## 1.1.2 Commitments to stakeholders

### 1.1.2.1 Taking into account the interests and views of stakeholders

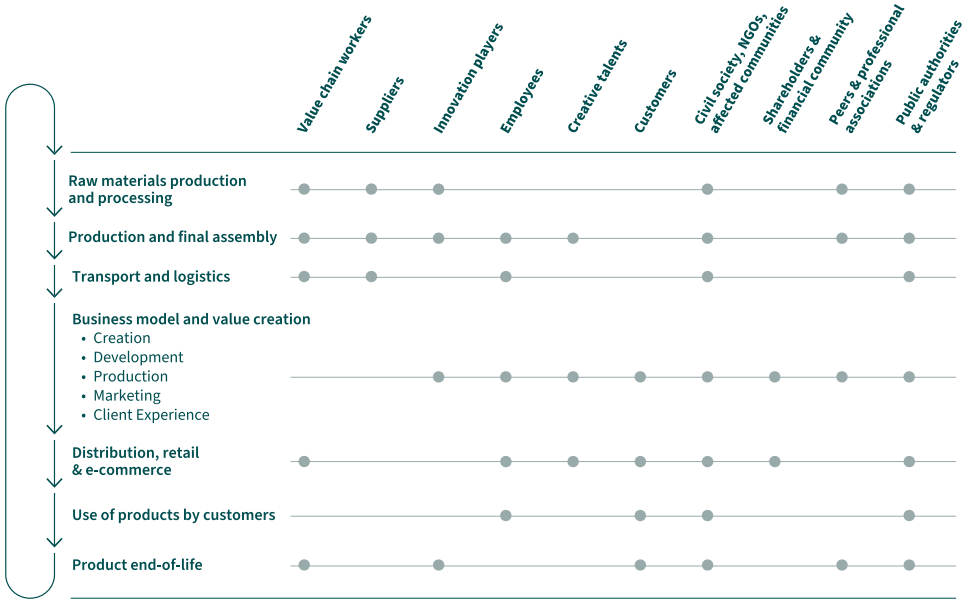
To stay attuned to issues that are priorities for its stakeholders and contribute to the movement toward more sustainable luxury, Kering has adopted a consultation approach based on dialogue and analysis of stakeholder expectations at the Group level. Dialogue with the Group's various stakeholders regularly informs the Group's Sustainability Strategy. This includes consultation with stakeholders and external partners in order to update its policies (the Biodiversity and Water strategies, annual reviews of the Kering Standards for sustainable production) and the signature of collective agreements following negotiations with employees and their representatives. As a result, for Kering and its houses, engagement with stakeholders forms part of a regular dialogue. 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 also encourages each house to develop its own dialogue platforms at a more operational level.

In 2024, Kering updated its stakeholder map as part of its double materiality assessment. The map covers the main categories of stakeholders that may be affected by the Group's activities and those of its economic relationships, which are identified throughout its value chain, both upstream and downstream. The dialogue and engagement methods used by the Group are adjusted to the various ways in which the Group and its houses interact with those stakeholders, allowing Kering to better identify and understand their respective interests and views. The map has informed the strategy and activities of both the Group and its houses, and also helped the Group identify sustainability topics and associated impacts, risks and opportunities as part of its double materiality assessment (see section 1.2.1).

For each category of stakeholder, the frequency and depth of the dialogue were taken into account, based on mechanisms already in place and engagement methods already used by Kering, allowing it to assess the maturity of the dialogue. In the vast majority of categories, the assessment confirmed that the dialogue had a satisfactory level of maturity, meaning that interests and views were taken into account effectively in the double materiality assessment and allowing impacts, risks and opportunities to be identified. The Group will strive to increase engagement with categories of stakeholders with whom the maturity of dialogue could be improved, particularly workers in the value chain and on-site contractors. In late 2023, an assessment of on-site contractors was launched across the Group and its houses to assess areas for improvement with regard to social topics (see section 3.2.2.2). In 2024, Kering also supported a study led by NGOs Conservation International and Textile Exchange regarding the role of indigenous peoples in the fashion industry (see section 3.3.2.2). In the medium term, the stakeholder map will be reviewed and improved as part of work to apply the CSDDD (Corporate Sustainability Due Diligence Directive) and discussions regarding Kering's future Sustainability Strategy.

The results have been presented and validated by the CSRD Steering Committee (see section 1.2.2) and shared in a joint meeting of the Board's Audit Committee and Sustainability Committee.

### 1.1.2.2 Summary of the stakeholder map



The results of the stakeholder mapping exercise are summarized in the table below:

| Categories of stakeholders | Expectations identified and taken into account in the Group's activities | Dialogue and engagement methods |
|---|---|---|
| **Workers in the value chain**<br>• Participants in the downstream part of the value chain in relation to product circularity activities<br>• Craftspeople and trade associations<br>• Workers and external contractors who work on Kering's sites and those of the Group's houses (cleaning, maintenance, construction, security, etc.)<br>• Models taking part in the Houses' fashion shows and media campaigns | • Decent working conditions<br>• Support and assistance with improving environmental and social performance<br>• Compliance with payment deadlines and fair trading terms<br>• Economic and social development | • Incorporation of the Suppliers' Charter (within the Code of Ethics) and the Sustainability Principles within contracts<br>• Activation and social audit procedure, Duty of Care Plan and due diligence procedure<br>• Online publication and sharing of documents and policies (Human Rights Policy, Kering Standards, Charter on fashion models' working conditions and well-being, etc.)<br>• Ethics and compliance whistleblowing mechanism and communication plan in 15 languages |
| **Suppliers**<br>• Direct suppliers of the Group and its houses, and the subcontractors of those suppliers<br>• Suppliers of raw materials | • Support and assistance with improving environmental and social performance<br>• Compliance with payment deadlines and fair trading terms<br>• Support for the preservation of craftsmanship traditions and the communities that support them | • Incorporation of the Suppliers' Charter (within the Code of Ethics) and the Sustainability Principles within contracts<br>• Deployment of the Kering Standards to preserve excellence among suppliers and support the adoption of more responsible practices<br>• Activation and social audit procedure, supplier portal, Duty of Care Plan and due diligence procedure<br>• Online publication and sharing of documents and policies (Human Rights Policy, Kering Standards, Charter on fashion models' working conditions and well-being, etc.)<br>• Support and incentives for improving suppliers' environmental and social performance<br>• Ethics and compliance whistleblowing mechanism and communication plan in 15 languages<br>• Partnerships to preserve craftsmanship traditions |
| **Innovation players**<br>• Academic partnerships<br>• Think tanks<br>• Incubators<br>• Startups<br>• Innovators | • Transparent participation in public debate<br>• Support for the innovation and startup ecosystem<br>• Sharing of best practice<br>• Investment | • Accelerator and incubator program, mentoring to help the development of startups, and support for innovation<br>• Calls for proposals relating to innovation, events and awards to identify innovative and sustainable solutions<br>• Open-source approach as standard (EP&L, Kering Standards, etc.) in order to influence the sector<br>• Groundbreaking research and innovation work on raw materials and manufacturing processes, academic partnerships<br>• Material Innovation Lab (MIL) and Jewellery Innovation Lab (JIL) |

| Categories of stakeholders | Expectations identified and taken into account in the Group's activities | Dialogue and engagement methods |
|---|---|---|
| **Employees**<br>• Employees on fixed-term or permanent contracts<br>• Employees representative bodies<br>• Unions<br>• Directors representing employees<br>• Apprentices and interns | • Attractive career paths, training opportunities and skills development<br>• Work organized in a way that gives employees responsibility, competitive pay and benefits<br>• Social dialogue and respect for fundamental rights<br>• Inclusive working environment<br>• Respect for work-life balance<br>• Decent working conditions<br>• A feeling of belonging (employer of choice in the sector, development of a shared vision of the Group's values and policies) | • Internal charters and policies (Code of Ethics, Human Rights Policy, Inclusion and Diversity Policy, Health, Safety and Security Policy, Baby Leave Policy, etc.)<br>• Annual appraisal (People Performance and Development Annual Review) and regular discussions (check-in conversations)<br>• Collective agreements (social dialogue and well-being at work, Empowering Talent, remote working etc.)<br>• Ongoing, regular dialogue with employee representative bodies and unions (European and French Works Councils)<br>• Annual employee satisfaction survey (Kering Employee Listening Survey)<br>• Ethics and compliance whistleblowing system<br>• Inclusion & Diversity Committees within the Houses and Corporate<br>• Training and e-learning platforms, internal communication, intranet and employees newsletters to share a common vision of the Group's values and policies<br>• Talent Match pilot<br>• Women in Luxury internal network |
| **Creative talent**<br>• Internal schools<br>• Specialist training in fashion, design and crafts<br>• Universities<br>• Artisans | • Support for the preservation of exceptional craftsmanship<br>• Workforce integration<br>• Mentoring, coaching, experience sharing, etc.<br>• Development of talent and skills and availability of attractive career paths | • Programs focused on excellence in craftsmanship in Haute Couture, Leather Goods and Jewelry, in order to develop talent and skills<br>• Academic collaborations (with schools and universities) aimed at recruiting, training the best professionals, and raising awareness of sustainability among the designers of tomorrow<br>• Forums in schools and exchange days |
| **Customers**<br>• Customers<br>• Consumer associations<br>• Influencers<br>• Participants in the distribution of products | • A personalized customer experience and a complementary omnichannel distribution network<br>• Quality standards consistent with the luxury sector<br>• Close interaction with world-renowned Houses<br>• Reliable, transparent and constructive information, efforts to raise awareness of sustainability topics<br>• Respect for personal data | • Worldwide network of boutiques and points of sale offering customer relationships that are unique to each house<br>• Client satisfaction surveys by each House<br>• Responsible communication guidelines<br>• Environmental claims guide (within the Kering Standards)<br>• Green Fashion Show guidelines<br>• Social media<br>• Newsletters for customers<br>• Collaborations with certain retailers and marketplaces<br>• Kering and House websites and sustainability reports to raise awareness among customers and consumers about sustainability topics |

| Categories of stakeholders | Expectations identified and taken into account in the Group's activities | Dialogue and engagement methods |
|---|---|---|
| **Civil society, NGOs, affected communities**<br>• Local authorities (public officials, local government, etc.)<br>• Charities and NGOs<br>• Traditional and social media<br>• Opinion leaders<br>• Public interest foundations<br>• Local communities<br>• Indigenous peoples<br>• Women in society | • Local, grassroots action and participation in the local economy<br>• Support for grassroots projects with a view to establishing long-term partnerships<br>• Positive impact on individuals and society<br>• Reliable, transparent information<br>• Regular dialogue<br>• Economic and social development (job creation, support for local infrastructure)<br>• Respect for and protection of fundamental human rights, as well as the right to land and resources and the protection of cultural heritage<br>• Provide support for local communities across supply chains and support livelihoods | • Support for grassroots projects and organizations with a view to developing long-term partnerships<br>• Involvement of executive management, public relations specialists and experts from civil society<br>• Skills sponsorship, financial sponsorship and product donations<br>• Publications and websites of the Group, the Houses and the Kering Foundation with the aim of maintaining dialogue and transparent communication<br>• Talks at various events to share the Group's vision and details of its actions<br>• Take action to reduce the Group's environmental footprint at all stages of the value chain<br>• Projects developed through the Regenerative Fund for Nature to support producers and farmers with the transition toward regenerative agriculture.<br>• Projects developed through the Kering Precious Metals Platform aimed at supporting responsible gold producers and contributing to their growth by helping mining communities. |
| **Investors and the financial community**<br>• Institutional investors<br>• Financial analysts<br>• Market authorities (AMF, Euronext, etc.)<br>• Individual shareholders<br>• Financial and non-financial rating agencies | • Relevance and coherence of strategy, execution quality<br>• Financial performance and value creation<br>• Shareholders return (stock market performance, dividends, share buybacks, etc.)<br>• Best-in-class corporate governance standards and ambitious sustainability strategy<br>• Heightened expectations regarding ESG aspects<br>• Equal access to information, and precise, reliable and accurate financial reporting | • Ongoing and periodic regulatory information in French and English "Finance" section of the Corporate website regularly updated and expanded<br>• Dialogue with shareholders, notably at the Annual General Meeting and via regular communications to individual shareholders (letter to shareholders, shareholders guide)<br>• Regular exchanges with institutional investors and financial analysts<br>• Conference calls and videoconferences upon the release of quarterly revenue figures, half-year results and annual results<br>• Organization of roadshows and participation in major sector-specific conferences<br>• Answers to non-financial assessment questionnaires and presence in the major non-financial ratings |

| Categories of stakeholders | Expectations identified and taken into account in the Group's activities | Dialogue and engagement methods |
|---|---|---|
| **Peers and professional associations**<br>• Business federations<br>• Multi-party coalitions<br>• Professional and industry organizations/associations | • Maintain constructive dialogue with all parties, and encourage cooperation on matters of public interest<br>• Raise awareness across the private sector on matters such as biodiversity and climate<br>• Drive change toward better practices across the fashion industry<br>• Bring together an ecosystem around industry best practices | • Open-source approach as standard (EP&L, Kering Standards, etc.)<br>• Participation in international and/or multi-stakeholder initiatives<br>• Involvement in specialist working groups, consultation and dialogue<br>• Talks and experience-sharing presentations at conferences, forums and workshops highlighting the role of businesses in society<br>• Take part in exchanges and debates, and build constructive dialogue to drive progress in terms of standards and regulations and the take-up of responsible practices |
| **Public authorities and regulators**<br>• Regulators and standard-setters<br>• Government bodies<br>• International organizations (UN, ILO, etc.) | • Compliance with and observance of regulations<br>• Transparent participation in public debate and experience-sharing | • Publication of regulatory information and communications<br>• Dialogue and experience-sharing with governmental and supranational bodies (UN, ILO, OECD, European Union, etc.)<br>• Encourage the adoption of best practices in the Group's ecosystem via participation in international and/or multi-stakeholder initiatives and specialist working groups<br>• Inclusion in lobbying registers (HATVP register, European Commission Transparency Register)<br>• Contribution, via the Houses, to the work of major Fashion and Luxury sector organizations |

Stakeholder engagement methods are reviewed annually to ensure their relevance.

# 1.2 Double materiality assessment

## 1.2.1 Methodology

Materiality is at the core of Kering's sustainability approach. Since 2013, this approach – which is now aligned with double materiality principles – has allowed Kering to identify the key topics relating to its strategic vision and its business activities.

In 2024, Kering carried out a double materiality assessment to identify sustainability topics that are material for the Group and its houses. The Group worked with an independent external consultancy to ensure that its methodology meets ESRS requirements. The double materiality process also underwent a specific review by the sustainability auditors as part of their audit.

### Understanding the context

This first stage resulted in an exhaustive list of topics connected with all three aspects of ESG (environment, social and governance), through an in-depth review of strategy and documentation based on the following main sources of information and data:

- analysis of Kering's business model, sustainability strategy, business activities and geographical operations;
- mapping of the Group's economic partners in the upstream and downstream parts of its value chain, in order to define the scope for analyzing and identifying sustainability topics and their associated impacts, risks and opportunities;
- analysis of dependencies on natural, human and social resources (mapping of raw materials through the EP&L tool, of pressures on nature through the SBTN, and of Group risks);
- group risk mapping (chapter 5, section 2);
- mapping of stakeholders and communities potentially affected by the Group's activities or those of its value chain (see section 1.1.2.2);
- regulatory texts (ESRS 1 AR16, SFDR, European Taxonomy, etc.);
- the Duty of Care Plan, intended to identify, assess and monitor risks and prevent severe impacts on human rights and fundamental freedoms, severe harm to the health and safety of individuals and serious environmental damage resulting from the operations of (i) the Company, (ii) its subsidiaries and other controlled entities or (iii) its suppliers or subcontractors (see chapter 5, section 3);
- international reporting frameworks (ISSB, SASB, GRI, Global Compact, TCFD, TNFD etc.);
- non-financial ratings and rankings, as well as analysis of interactions with investors;
- analysis of the strategies and practices used by peers, press and news reviews.

### Identification of sustainability topics and their associated impacts, risks and opportunities

All topics identified in the first stage were then reformulated and grouped, resulting in a list of 32 sustainability topics. For each topic, the definition and scope (own activities or value chain) were clarified.

Kering then held a series of ESG-themed workshops attended by people including members of the Group's relevant departments (Human Resources, Finance, Legal, Sustainability, Risk, etc.) and representatives of the houses to identify, for each sustainability topic, the impacts (positive or negative, actual or potential) connected with its operations and value chain, along with the resulting risks and opportunities (IROs), and risks and opportunities not related to dependencies and impacts. For each IRO, a timeframe was specified – short-term (less than one year), medium-term (one to five years) or long-term (more than five years) – along with the scope concerned (business sector, specific geographies, operations and/or value chain) and the interests and views of affected stakeholders (see section 1.1.2).

### Assessment of material IROs

Each IRO identified was assigned a score as part of a new series of workshops, based on two main criteria defined in the standards:

- **Impact materiality**: assessment of the Group's positive and negative impacts on the environment, stakeholders and society in the short, medium and long term depending on their severity (scope, scale, irremediable character of negative impacts) and their probability of occurrence (for potential impacts);
- **Financial materiality**: assessment of risks and opportunities depending on the extent of their financial effects in the short, medium and long term and their probabilities of occurrence. When financial effects were not directly quantifiable, Kering assessed risks and opportunities based on how they might affect its reputation, operations and people, and on their legal implications.

To adjust and refine the results of the analysis by business and geography, discussions were held with representatives of Kering's houses, regions and key functions.

- **Link with the Group risk map**

The double materiality assessment was defined in accordance with the Group's risk analysis:

- the review of sustainability topics and the associated impacts, risks and opportunities took account of the Group's risk analysis, and in particular the risk factors already identified by the Group;
- the scales used in the double materiality assessment (IRO scores) were also aligned with the scale used in the Group's risk mapping exercise (see chapter 5, section 2.1);
- scoring is done on a net basis for the Group's risk analysis, with risk mitigation efforts being taken into account, whereas it is done on a gross basis for the double materiality assessment in accordance with the ESRS standards.

Each year, Kering carries out a detailed analysis of the risks that the Group may face, including non-financial risks that could jeopardize its ability to maintain its overall performance. The approach as a whole and all aspects generally relating to risks are presented in chapter 5. The Sustainability department is involved in the process of identifying and classifying the risks that fall within its scope.

## 1.2.2 Consolidation of results

79 material IROs were grouped within material sustainability topics. A topic is deemed to be material if at least one of the IROs assigned to it has been identified as material. The assessment resulted in 29 material sustainability topics, which are presented below:

**ESRS E1 to E5**

- **E1** - Climate change mitigation
- **E1** - Climate change adaptation
- **E2** - Water pollution and substances of concern
- **E2** - Microplastics & microfiber pollution
- **E3** - Water scarcity
- **E4** - Biodiversity loss
- **E4** - Raw materials scarcity and quality
- **E5** - Circular luxury
- **E5** - Circular packaging
- **E5** - Waste

**ESRS S1 to S4**

- **S1** - Employee working conditions, health and safety, social dialogue and well-being in the workplace
- **S1** - Inclusion and diversity
- **S1** - Talent management and skills development
- **S1/S2** - Preservation of expertise and craftsmanship
- **S1** - Human Rights in Kering's own operations
- **S2** - Decent working conditions in the value chain
- **S2** - Respect for human rights and fundamental freedoms in the value chain
- **S2** - Fair treatment of on-site contractors
- **S3** - Dialogue with local communities
- **S3** - Rights of indigenous peoples
- **S3** - Women empowerment in society
- **S4** - Customer data privacy and cybersecurity
- **S4** - Product transparency and footprint
- **S4** - Responsible marketing and communication practices

**ESRS G1**

- **G1** - Ethics, fraud & corruption
- **G1** - Protection of whistleblowers
- **G1** - Responsible procurement and supplier relationships
- **G1** - Animal welfare
- **G1** - Transparent and positive influence

### Changes relative to the previous period

Kering has carried out several materiality assessments since 2013. The most recent assessment, carried out in 2020/21 and including consultations with a representative group of 70 internal and external stakeholders, 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 matters.

The double materiality assessment carried out in 2024 was based on the results of those previous assessments, while factoring in the new ESRS requirements as described above and focusing the scope on the three ESG aspects covered by the standards. The materiality of all ESG topics identified in the most recent assessment was confirmed by the double materiality assessment, and new topics were added.

In line with best practices, the results of the double materiality assessment will be reviewed annually to ensure their relevance and to reflect potential changes.

### Governance of the project, internal control and validation of results

Kering's implementation of new reporting obligations related to the CSRD is overseen at the highest level of the Group through a steering committee consisting of members of the Executive Committee and other Group executives (Head of Audit and Risk, Group General Counsel, representatives of the houses) involved in managing sustainability topics. That steering committee was involved throughout the project, particularly in order to examine and validate the process and results of the double materiality assessment, review the results of the stakeholder mapping exercise (see section 1.1.2) and ensure that the Group's reporting, including the present sustainability statements, are compliant.

Within the Board of Directors, the Audit Committee is responsible for ensuring the integrity of the process for preparing non-financial reporting, and carries out a review, jointly with the Sustainability Committee, of the sustainability statements and related work carried out internally. The results of the double materiality assessment and the stakeholder mapping exercise were presented in a joint meeting of the Board's Audit Committee and Sustainability Committee (see section 1.3).

A CSRD operational committee was also set up, including members of the Group's relevant functional departments (Human Resources, Finance, Legal, Sustainability, Risk, etc.) and representatives of the houses. It was involved at each stage of the double materiality assessment, and then in the following stages relating to the collection of information and preparation of the sustainability statements, with each member focusing on their own area of responsibility.

### 1.2.3 Analysis and interactions with the business model

## Identification of material IROs

Through its double materiality assessment, Kering has identified 79 material impacts, risks and opportunities (IROs) all along its value chain, in connection with the Group's strategy and business activities. Those IROs are assigned to 29 sustainability topics, which are described below:

| Sustainability topic and related ESRS | Number of material IROs | Type | Description of the material IRO | Direct operations | Value chain | Section |
|---|---|---|---|---|---|---|
| **ENVIRONMENT** | **32** | | | | | |
| E1 - Climate change mitigation | 4 | Negative impact | **Carbon footprint (scopes 1 and 2)** related to Kering's own operations contributing to climate change | ● | | 2.1.4 |
| | | Negative impact | **Carbon footprint (scope 3)** contributing to climate change. Kering's scope 3 emissions make up the vast majority of the Group's total footprint (more than two thirds). They arise in particular from the sourcing and production of raw materials. For example, it is estimated that sourcing of leather, cashmere and cotton accounts for around a third of the company's total greenhouse gas emissions | | ● | |
| | | Risk | Increase in expenditure related to energy efficiency and the **decarbonization of the Group's own activities** | ● | | |
| | | Opportunity | **The development of on-site renewable energy production** is an opportunity for the Group to anticipate and prevent increases in carbon-related costs and price volatility, to become more self-sufficient in terms of its energy supply and potentially to generate revenue by selling surplus energy produced | ● | | |
| E1 - Climate change adaptation | 3 | Risk | **Disruption to direct operations** and the value chain **related to climate events that are chronic** (drought, heatwave, etc.) or **extreme** (flooding, storm, etc.) | ● | ● | 2.1.5 |
| | | Risk | **Extreme and chronic weather events affecting Kering's assets** | ● | | |
| | | Risk | **Market risks** related to volatility and increases in energy costs | ● | | |
| E2 - Water pollution and substances of concern | 3 | Negative impact | **The use of substances of concern** in industrial activities and products leads to pollution of water, with serious potential consequences in the event of inappropriate use | ● | ● | 2.2 |
| | | Negative impact | The discharge of effluents containing pollutants that affect biodiversity and local communities if not managed correctly during production may lead to **water pollution** | ● | ● | |
| | | Risk | **Failure to comply with regulations regarding water pollution** could affect the Group's reputation and operations | ● | ● | |
| E2 - Microplastics and microfiber pollution | 2 | Negative impact | **Pollution involving microplastics** and synthetic or natural microfibers in various stages of the value chain (production, product use and end of life) leads to pollution of the oceans, rivers and local ground water, and has a negative impact on the health of local communities | ● | ● | |
| | | Risk | **Failure to comply with regulations regarding microplastics and microfibers** could affect the Group's reputation and operations | ● | ● | |

| Sustainability topic and related ESRS | Number of material IROs | Type | Description of the material IRO | Direct operations | Value chain | Section |
|---|---|---|---|---|---|---|
| E3 - Water scarcity | 2 | Negative impact | **Water consumption**, including potential abuse, may have **negative impacts on the ability to access water resources,** particularly in areas of water stress: potential conflicts with communities, increased risk of flooding, negative impact on local activities and sites. | ● | ● | 2.3 |
| | | Risk | A shortage of water creates potential risks in terms of the **cost and availability of raw materials,** which may affect the production and distribution of finished goods as well as causing **operational disruption.** | ● | | |
| E4 - Biodiversity loss | 10 | Negative impact | **Loss of biodiversity resulting from agricultural activities,** particularly those involved in the production of textile products and leather (use of pesticides, monocultures, soil degradation, habitat destruction, etc.) | | ● | 2.4 |
| | | Negative impact | **Loss of biodiversity resulting from mining activities,** arising from the pollution caused by extraction processes | | ● | |
| | | Negative impact | **Loss of biodiversity related to the Group's carbon footprint** and value chain | ● | ● | |
| | | Negative impact | **The procurement of certain raw materials may contribute to deforestation,** land use conversion or forest degradation, with potential negative impacts on biodiversity, carbon emissions, water resources and other ecosystem services | | ● | |
| | | Negative impact | **Mining activities may contribute to deforestation,** land use conversion or forest degradation, with potential negative impacts on biodiversity, carbon emissions, water resources and other ecosystem services | | ● | |
| | | Negative impact | **The procurement of precious skins** may have negative consequences for fauna, particularly exotic and protected species, and their habitats if not managed correctly | | ● | |
| | | Positive impact | The implementation of **regenerative agriculture** programs contributes to positive impacts in terms of preserving and restoring biodiversity | | ● | |
| | | Risk | **Failure to comply with CITES requirements concerning protected species** is a risk that could harm Kering's reputation and the trust of its customers | ● | ● | |
| | | Risk | **Uncertainty related to the possible adoption of stricter regulations regarding biodiversity** represents a regulatory risk that may have financial and operational impacts | ● | ● | |
| | | Risk | **Risk relating to the availability of raw materials** following ecosystem degradation and increases in costs resulting from the development of alternative materials | | ● | |

| Sustainability topic and related ESRS | Number of material IROs | Type | Description of the material IRO | Direct operations | Value chain | Section |
|---|---|---|---|---|---|---|
| E4 - Raw materials scarcity and quality | 2 | Risk | **The availability, quality and cost of raw materials that may be affected by** the scarcity of resources, arising from growing demand and the impact of climate change on biodiversity, land degradation and ecosystem destruction | ● | ● | 2.4 |
| | | Opportunity | By supporting and facilitating **regenerative agriculture practices** to limit the degradation of natural resources and ecosystem services essential to Kering's activities, the Group may make itself more resilient and secure its sourcing (quality and availability of raw materials) through partnerships | ● | ● | |
| E5 - Circular Luxury | 2 | Positive impact | **The sourcing of low-impact and regenerative materials** has several positive impacts on the environment and communities, ensuring the long-term viability and resilience of land | ● | ● | 2.5.1 |
| | | Risk | **Inventory and unsold product management** practices that may be inconsistent with circular economy principles may bring reputational risks or operational risks related to the efficiency of the supply chain | ● | | |
| E5 - Circular packaging | 2 | Negative impact | **Pollution due to plastic and single-use plastic packaging** used in logistics activities (B2B) that has a negative impact on people and on the environment (pollution of soil, oceans, etc.) | ● | | 2.5.2 |
| | | Potential positive impact | The application of **ecodesign and circularity principles in the design of packaging** and the elimination of single-use plastics could have a positive impact on people and the environment by reducing the carbon footprint, resource consumption and pollution of soil and oceans | ● | | |
| E5 - Waste | 2 | Potential negative impact | **Potential negative impact related to wastage of natural resources,** along with pollution from production waste and the discharge of unused materials, waste from fashion shows and unsold damaged goods | ● | | 2.5.3 |
| | | Negative impact | **Waste** from **construction and refurbishment** projects and merchandizing taking place at points of sale | ● | ● | |

| Sustainability topic and related ESRS | Number of material IROs | Type | Description of the material IRO | Direct operations | Value chain | Section |
|---|---|---|---|---|---|---|
| **SOCIAL** | **37** | | | | | |
| S1 - Employee working conditions, health and safety, social dialogue, well-being in the workplace | 6 | Positive impact | The Group provides **good working conditions** to its employees around the world in relation to remuneration, job security and work/life balance | ● | | 3.1.3 |
| | | Positive impact | Kering promotes **well-being in the workplace** for its employees around the world | ● | | |
| | | Positive impact | **Health and safety,** along with mental health and psychosocial risks in relation to the Group's employees are taken into account and respected through operational standards in each country in which the Group operates | ● | | |
| | | Positive impact | Kering does not interfere with the creation of unions that ensure compliance with the principles of **freedom of association and collective bargaining,** and forbids all forms of intimidation, threats and discriminatory practices against employees representatives | ● | | |
| | | Positive impact | Culture of social dialogue that fosters a **positive working environment** | ● | | |
| | | Opportunity | **By strengthening the Group's image** relative to the competition, Kering bolsters its **appeal and ability to retain talent** | ● | | |
| S1 - Inclusion and diversity | 4 | Potential negative impact | **Failure to comply with the principles of inclusion and diversity** in Kering's culture, policies, processes and working methods may have a potential negative impact on the well-being and commitment of employees, potentially contributing to discrimination and unequal and unfair treatment | ● | | 3.1.4 |
| | | Positive impact | **Gender equality at work and pay equity** help with the effort to recognize and break down the barriers that women face and to promote an inclusive culture within the business | ● | | |
| | | Risk | **Failure to comply with the principles of inclusion and diversity** in Kering's culture, policies, processes and working methods may affect the well-being and commitment of employees, potentially leading to reputational risks and a loss of productivity (employee turnover and absenteeism) | ● | | |
| | | Opportunity | **A diverse workforce** may lead to greater creativity and innovation and a greater ability to solve problems through collective intelligence. This may improve a company's financial performance, reputation and ability to attract and retain the best talent | ● | | |

| Sustainability topic and related ESRS | Number of material IROs | Type | Description of the material IRO | Direct operations | Value chain | Section |
|---|---|---|---|---|---|---|
| S1 - Talent management and skills development | 4 | Potential negative impact | Potential negative impact related to an **insufficient or incomplete strategy for employee career development:** for employees, the absence of redeployment or skills-development opportunities, which may limit their career development and employability. From a societal point of view, the loss of strategic expertise and craftsmanship in the making of products, which could damage cultural heritage | ● | | 3.1.5 |
| | | Potential positive impact | The **development of skills to support a just transition** aims to have a positive impact on jobs by preserving skills and roles suited to a low-carbon economy | ● | | |
| | | Risk | **Poor talent management and skills development** may bring with them risks to Kering's operations and human capital: loss of key expertise, lower productivity, costs arising from a high employee turnover rate and difficulties retaining talent | ● | | |
| | | Opportunity | In the long term, a proactive approach to talent management offers opportunities for the Group, enabling it to **improve its competitiveness, attractiveness and ability to retain talent** | ● | | |
| S1 - S2 - Preservation of expertise and craftsmanship (Kering-specific topic) | 2 | Positive impact | **Efforts to preserve expertise and craftsmanship** help support the communities of craftspeople by providing them with sustainable work in regions where their expertise originated, and encourage the passing-on and preservation of traditional techniques. | ● | ● | 3.1.6 |
| | | Opportunity | Opportunity to develop certain production and craft skills within the Group, and to provide active support to strategic suppliers in **safeguarding their expertise** | ● | ● | |
| S1 - Human rights in Kering's own operations | 1 | Potential negative impact | **Breaches of human rights and fundamental freedoms** represent a potential negative impact that can affect vulnerable people in the Group's operations, particularly victims of forced labor and migrant workers | ● | | 3.1.7 |
| S2 - Decent working conditions in the value chain | 4 | Potential negative impact | Potential negative impact resulting from **poor working conditions** that may affect workers in the value chain (e.g. in terms of the minimum wage, job security, working hours, etc.) | | ● | 3.2.2 |
| | | Potential negative impact | Potential negative impact resulting from **wages that are below the living wage** in the value chain | | ● | |
| | | Risk | Financial, legal and reputational risks following **possible breaches of labor standards** in the Group's value chain | | ● | |
| | | Risk | **Uncertainties related to new regulations** regarding the protection of human rights in the value chain, which increase financial, legal and reputational risks | | ● | |

| Sustainability topic and related ESRS | Number of material IROs | Type | Description of the material IRO | Direct operations | Value chain | Section |
|---|---|---|---|---|---|---|
| S2 - Respect for human rights and fundamental freedoms in the value chain | 2 | Potential negative impact | Potential negative impact relating to **breaches of human rights and fundamental freedoms** in the value chain (e.g. in relation to child labor, forced labor and debt bondage) | | ● | 3.2.2 |
| | | Risk | Financial, reputational and legal risks resulting from **potential non-compliance with human rights regulations** | | ● | |
| S2 - Fair treatment of on-site contractors | 1 | Potential negative impact | Potential negative impact on the **treatment of on-site contractors** whose working conditions cannot be guaranteed (in terms of living wage, job security, working hours, etc.) | | ● | |
| S3 - Dialogue with local communities | 1 | Positive impact | Contribution to **local dialogue with and the socioeconomic development** of local communities | ● | ● | 3.3.3 |
| S3 - Rights of indigenous peoples | 2 | Potential negative impact | Potential negative impact from a **failure to respect the rights and culture of indigenous peoples** (e.g. land rights and cultural rights) | | ● | |
| | | Potential negative impact | Potential negative impact from a **failure to respect the rights and culture of indigenous peoples specifically** in the beauty industry | | ● | |
| S3 - Empowerment of women in society (Kering-specific topic) | 1 | Positive impact | **Empowering women and promoting the image of women in society** | | ● | 3.3.4 |
| S4 - Customer data privacy and cybersecurity | 1 | Risk | **Risk of cyberattack** and failure of information systems, and of **non-compliance with regulations regarding the management and protection of personal data** | ● | | 3.4.2 |
| S4 - Product transparency and footprint | 4 | Potential positive impact | Potential to transform the luxury industry by **developing, through innovation, high-quality products with a smaller environmental footprint.** | ● | ● | 3.4.3 |
| | | Risk | Financial, legal and reputational risk related to the **lack of product traceability and transparency** (e.g. labeling). | ● | ● | |
| | | Opportunity | Opportunity to **innovate in green chemistry** in order to reduce the use of chemicals (particularly in the production of leather) and thereby reduce the cost of compliance while meeting customers' new expectations. | ● | ● | |
| | | Opportunity | **By innovating to reduce the negative impacts associated with its activities** (processes and products), Kering has an opportunity to gain a lead over its competitors, anticipate regulatory transition risks and address changing customer expectations. | ● | ● | |

| Sustainability topic and related ESRS | Number of material IROs | Type | Description of the material IRO | Direct operations | Value chain | Section |
|---|---|---|---|---|---|---|
| S4 - Responsible marketing and communication practices | 4 | Potential negative impact | Potential negative impact of **advertisements and/or communication on the mental and physical health of customers or of a specific audience** by promoting discriminatory stereotypes or unrealistic beauty standards, and discrimination in stores | ● | ● | 3.4.4 |
| | | Positive impact | Positive impact of **advertising campaigns or other positive and inclusive communication initiatives** led by Kering or its Houses, that highlight the importance of inclusive representation, encourage body positivity or promote social and environmental responsibility | ● | ● | |
| | | Risk | Risk of **damaging the brand image** in the event of controversies that go against the Group's values, such as possible discriminatory practices in advertising or in stores, or the involvement of a brand ambassador in a public scandal. These could lead to financial impacts related to potential boycotts and a decline in sales because of a loss of appeal | ● | | |
| | | Opportunity | Opportunity to stand out through **advertising campaigns and other marketing initiatives that raise customers' awareness** about product choices that are sustainable and open to diversity, as well as through circular initiatives | ● | | |
| **GOVERNANCE** | **10** | | | | | |
| G1 - Ethics, fraud and corruption | 3 | Positive impact | As part of its **business culture,** Kering promotes its high ethical standards in its various local markets and in society | ● | ● | 4.1 |
| | | Risk | Legal, financial, reputational, operational, strategic and human-resource risks resulting from **acts of fraud and corruption** | ● | | |
| | | Risk | **Failure to comply with the Group's ethical principles** or its commitment to being a socially responsible company may jeopardize Kering's long-term future, which depends on the trust of all its stakeholders (customers, employees, shareholders and trading partners); governance failure related to sustainability topics, which could compromise Kering's success and sustainability and damage the trust of stakeholders | ● | ● | |
| G1 - Protection of whistleblowers | 3 | Positive impact | In the short term, **Kering's whistleblowing mechanism** protects whistleblowers and allows internal and external stakeholders to report suspected breaches of ethical or compliance principles, thereby encouraging ethical business conduct | ● | ● | |
| | | Positive impact | In the medium to long term, it is likely that the positive impact arising from **Kering's whistleblowing mechanism** will grow and extend to the entire value chain thanks to future regulations (CSDDD) | ● | ● | |
| | | Risk | In the medium to long term, there are potential financial risks related to making the **whistleblowing mechanism** compliant with new regulations | ● | ● | |

| Sustainability topic and related ESRS | Number of material IROs | Type | Description of the material IRO | Direct operations | Value chain | Section |
|---|---|---|---|---|---|---|
| G1 - Responsible procurement and supplier relationships | 1 | Positive impact | **Improvement in the environmental and social performance of Kering's suppliers** | | ● | 4.2 |
| G1 - Animal welfare | 2 | Negative impact | **Failure to comply with animal welfare standards** related to animal rearing practices, which may impact on conditions in abattoirs within the Group's value chain, and failure to prevent wildlife trafficking | | ● | 4.3 |
| | | Risk | Risk that **certain Group activities may be incompatible with the concerns, perceptions and growing expectations of certain stakeholders keen to safeguard animal welfare,** including a failure to anticipate and accompany possible changes in customer expectations | | ● | |
| G1 - Transparent and positive influence | 1 | Positive impact | Kering's **collaborative and transparent influence** helps promote sustainable growth in its industry | ● | ● | 4.4 |
| **29 sustainability topics** | **79** | | | | | |

### Focus on material impacts

Impacts – like risks and opportunities – were identified over short-, medium- and long-term timeframes. The assessment revealed topics that may become more material over time: water scarcity, biodiversity loss, raw materials scarcity and quality, circularity, fair treatment of on-site contractors, rights of indigenous peoples, product footprint and traceability, whistleblower protection and responsible supplier relationships.

Each sustainability topic identified as material is taken into account by Kering in its decision-making and management processes, whether it relates to impacts, risks or opportunities, in order to ensure the resilience of the Group's business model and support the sustainable and responsible growth of the Group and its houses. Some topics are prioritized because of their importance for the Group's strategy and development, following on from the priorities established as part of the 2025 Sustainability Strategy and the Group's most recent commitments, and also on the basis of the risk analysis, which includes an assessment of the extent to which risks are under control (see chapter 5 section 2).

Environmental risks – relating to climate, nature and water – underwent in-depth analysis in order to estimate their impacts, particularly their financial impacts. The most material risks underwent detailed analysis based on projections and scenarios. In view of the internal thresholds used to assess the Group's risks and those used by the Finance Department, those risks do not represent sufficiently large amounts to affect the financial statements. However, these risks and their respective scores are factored into the Group's strategic decisions and will be reviewed annually in order to reassess their potential impact on Kering's financial statements (see section 2.1.2).

The present sustainability statements are structured according to ESRS standards in order to present relevant information that reflects the Group's strategy, ambitions, policies, action plans, indicators and targets implemented for each material sustainability topic. Each item of information provided in the rest of this chapter was selected in accordance with ESRS based on its materiality. It should be noted that additional information about certain indicators and certain targets not covered in these sustainability statements will be provided and enhanced in future years.

## 1.3 Governance and management of sustainability topics

### 1.3.1 Composition and expertise of the administrative, management and supervisory bodies

Kering's Board of Directors has 13 members, of whom 11 are appointed by shareholders in the Annual General Meeting and two, representing employees, are appointed by Kering's Social and Economic Committee and European Works Council. The Board's chair is François-Henri Pinault, Chairman and Chief Executive Officer, who is the only director who has an executive role within the Company. As of December 31, 2024, 64% of the Board's members were independent (7 out of 11) and 55% were women (6 out of 11), excluding the two Directors representing employees according to the AFEP-MEDEF code. Six nationalities, reflecting the Group's international footprint, are represented on the Board: American, British, Chinese, French, Italian and Turkish.

The Board of Directors has adopted a diversity policy regarding its composition, along with precise targets in terms of gender representation, experience, qualifications, independence, international background, length of service on the Board and age.

In line with that diversity policy, the Board of Directors seeks to ensure that it has skills suited to the Group's strategy, business activities and challenges. It focuses on 10 key skills, including social and environmental responsibility (sustainability, climate, social matters). The Directors' skills are assessed on the basis of objective factors such as academic qualifications, professional experience and the sectors and structures in which the Directors have worked. As regards CSR skills specifically, Directors are expected to have professional experience of managing environmental or social matters, and the existence of a major public commitment in these areas is also taken into account. As of December 31, 2024, eight of the Board's 13 members had CSR skills.

The composition of the Board of Directors, its diversity policy and the Directors' skills are set out in chapter 3 section 2 of the present Universal Registration Document.

Kering is also careful to ensure that the Board of Directors maintains the level of knowledge required to gain an optimal understanding of the Group's sustainability topics, particularly through training. In 2023, a training seminar on climate was organized under the supervision of the Climate Change Lead. A further training session is planned for 2025, focusing on the European CSRD and its implications for the Group.

## 1.3.2 Role of the administrative, management and supervisory bodies

The preparation, monitoring and implementation of the Group's Sustainability Strategy are based on collective action that involves all levels of the organization. That governance relies on a holistic approach, ensuring that sustainability matters are factored into the Group's strategy, business model and operations.

### Board of Directors

The Board of Directors determines the Group's overall strategic direction, taking into account social and environmental issues in its business activities. It oversees the effective implementation of strategy by Executive Management. Its remit is detailed in chapter 3, section 3.2 of the present Universal Registration Document.

The Board is assisted by its four specialist committees, all of which are involved in monitoring sustainability topics in their respective areas of expertise. In accordance with the internal rules of the Board of Directors, last updated on December 3, 2024:

- The **Audit Committee** oversees the process of preparing and checking sustainability information, in addition to accounting and financial information. It monitors the Group's risk map, including sustainability risks, and ensures that the Group's internal control and risk management systems are appropriate and effective;
- The **Sustainability Committee** assists the Board of Directors in supervising sustainability topics. It takes part in defining the Group's Sustainability Strategy, including in relation to decarbonization, climate change and biodiversity, and monitors its implementation. It ensures that sustainability issues, risks and opportunities are taken into account in the preparation and implementation of the Group's strategy;
- The **Remuneration Committee** makes sure that sustainability targets aligned with the Group's commitments are factored into the variable remuneration of the Company's executive corporate officers. It assesses the attainment of those targets in view of practical initiatives and achievements. It monitors the Group's general remuneration policies;
- The **Appointments and Governance Committee** discusses governance matters related to the composition and operating procedures of the Board of Directors. In particular, it ensures that social and environmental expertise has sufficient representation within the Board. It monitors management succession plans and the gender diversity policy applied to the senior management bodies. It also examines the Group's human resources policies.

To help ensure that sustainability topics are included in the Board's work, joint meetings of the Audit and Sustainability Committees have been established. The first two occurrences of such meetings took place in 2024 with the aim to encourage joint discussion on matters relating to both committees – particularly sustainability impacts, risks and opportunities and the Group's sustainability statements – using a multi-dimensional approach. Work done in 2024 by the two committees in their joint meetings is presented in chapter 3 section 3.4.2 of the present Universal Registration Document.

The Board of Directors also has two positions held by members who have been given specific ESG responsibilities to ensure greater consideration of these issues in the Board's work:

- The Climate Change Lead ensures that climate matters are factored into the Board's discussions and decision-making processes. He make sure that members have a solid understanding of climate issues and suggest ways of increasing their expertise. The Climate Change Lead also ensures that the Board identifies impacts, risks and opportunities related to climate change, integrates them into the Group's strategy and oversees the development and implementation of suitable action plans;
- The Lead Independent Director represents the Board, in coordination with the Chairman of the Board, in its dealings with investors concerning environmental, social and governance matters and reports investors' concerns and observations in this area to the Board.

The remits of and work done by the Board of Directors and its Committees are detailed in chapter 3 sections 3.1 and 3.4 of the present Universal Registration Document. The remits and work done by the Climate Change Lead and Lead Independent Director are detailed in chapter 3 sections 1.4 and 1.5.

### Operational governance and organization of sustainability topics

Kering's Executive Committee implements strategies and policies in line with the guidance provided by the Board of Directors in relation to sustainability topics that are material for the Group, ensures their coordinated implementation by functional departments, their operational monitoring and reporting to the Board, under the supervision of François-Henri Pinault, Chairman and Chief Executive Officer, who gives impetus to the Group's strategic vision.

The sustainability topics identified by Kering as part of its double materiality assessment and discussed in these sustainability statements cover a wide range of environmental, social and governance themes that go beyond the Sustainability Strategy established by Kering in 2017. The topics fall within the scope of responsibility of several functional departments at the Corporate level, but also of the houses' management teams. This organization fosters cooperation between Kering and its houses, with the support of Corporate functions. The main Corporate departments involved in managing sustainability topics are as follows:

- The Sustainability and Institutional Affairs department: the Chief Sustainability and Institutional Affairs Officer is a member of the Executive Committee and reports directly to the Chairman and Chief Executive Officer. The department is responsible for the implementation of the Sustainability Strategy and acts as a sparring partner that helps the houses to deploy the strategy;
- The Human Resources department;
- The Legal department, which includes the Compliance, Data Privacy and Legal functions;
- The Cybersecurity department;
- The department in charge of social audits in the supply chain.

Depending on the operational arrangements specific to each material topic, working groups or cross-functional committees are established and networks of contributors within other departments and/or houses are also set up.

## 1.3.3 Reporting to the administrative, management and supervisory bodies

Reporting to the Board of Directors on sustainability topics takes place across various channels and forms part of an ongoing process.

### Regular interaction with the various departments

As part of their work, the Board committees hold regular discussions with the heads of the various departments involved in the oversight and operational monitoring of sustainability topics:

- every quarter, the Audit Committee examines the Group's map of financial and non-financial risks along with the associated action plans, as presented by the Chief Audit Executive. Every year, the Audit Committee meets the Chief Compliance Officer to look at the Group's compliance program, along with the risk map relating to human rights and the duty of care. Also every year, the Audit Committee hears from the heads of cybersecurity and data privacy as part of work to review risks, policies and initiatives in those areas;
- in each of its meetings, the Sustainability Committee hears from the Chief Sustainability and Institutional Relations Officer – a member of the Executive Committee – who reports to the Committee about the implementation of the Group's Sustainability Strategy and the influence activities taking place as part of that strategy and in support of it;
- similarly, in each Remuneration Committee meeting, discussions take place with the Group's Chief People Officer – a member of Kering's Executive Committee – or with the Compensation & Benefits Director;
- the Chief People Officer also regularly speaks in meetings of the Appointments and Governance Committee, particularly regarding management succession plans and the policy regarding the gender balance of governing bodies.

Operational and functional heads may be invited to speak in plenary meetings of the Board of Directors, which may also ask external experts to speak on specific subjects.

The work done by the Board of Directors and its Committees in 2024 is described in chapter 3 section 3.4.2 of the present Universal Registration Document.

### Reports sent by the Committees to the Board of Directors

After each meeting, the Committee Chairs present a detailed report to the Board of Directors, ensuring regular reporting on current matters and broadening the discussion regarding matters dealt with in Committee meetings.

### Training for Board members

The Board of Directors is committed to increasing its expertise on sustainability topics, responding to developments and new challenges in that area. For that purpose, a training seminar on climate matters was held in 2023 under the supervision of the Climate Change Lead. Following on from that initiative, a new training session focusing on the European CSRD and its implications for the Group is planned for 2025.

### Contribution of the Climate Change Lead and the Lead Independent Director

The Lead Independent Director and Climate Change Lead play a complementary role regarding reporting to the Board of Directors on sustainability topics.

In the annual ESG roadshow, in which the Lead Independent Director and Chief Sustainability and Institutional Relations Officer take part, a detailed report is shared with the Board of Directors informing it of investor expectations and observations in relation to sustainability topics.

In 2024, the Climate Change Lead carried out an in-depth analysis of the Group's decarbonization strategy and presented a detailed report on his work.

### Ongoing reporting

Every day, the Directors receive a review of press Articles mentioning the Group, including information relating to sustainability and particularly initiatives taken by the Group and its houses, along with general and sector-specific developments in this area.

## 1.3.4 Sustainability-related remuneration criteria

Details of sustainability targets used to determine the annual variable remuneration of executive corporate officer with respect to 2024 and and the level of achievement are provided in chapter 3, section 5.3.1 of this Universal Registration Document. The objectives of the long term variable remuneration are provided within the same section.

The remuneration policy for executive corporate officer and Directors for 2025 is presented in chapter 3 sections 5.1 and 5.2 of the present Universal Registration Document.

## 1.3.5 Due diligence procedures

| CORE ELEMENTS OF DUE DILIGENCE | SECTIONS OF THE SUSTAINABILITY STATEMENTS |
|---|---|
| a) Embedding due diligence in governance, strategy and the business model | 1.1, 1.3 |
| b) Engaging with affected stakeholders in all key steps of the due diligence | 1.1.2 |
| c) Identifying and assessing adverse impacts | 1.2 |
| d) Taking actions to address those adverse impacts | All paragraphs providing details about actions and arrangements included in each themed section |
| e) Tracking the effectiveness of these efforts and communicating | All paragraphs providing details about performance indicator and targets in each themed section |

## 1.3.6 Internal control and risk management procedures

### Description, scope and characteristics of the sustainability reporting control process

The Group has reported annually on sustainability for more than 20 years. The process is overseen by Kering's Sustainability department and relies on the involvement of the functional departments concerned, each within its respective scope of responsibility, and on input from all Group houses. The process is based on collecting qualitative information and on the reporting of several hundred indicators that represent the various sustainability topics of the Group and its houses. The Group has strengthened its framework for risk management and internal control in order to meet CSRD requirements.

The framework applies to the Group's own operations and to its value chain as the case may be. The CSRD operational committee is in charge of overall coordination, while each functional department defines the relevant reporting processes, which are then shared in collaboration with the houses and actors in the value chain. Reporting cycles are tailored to the types of data collected. HR data and indicators that require frequent monitoring are reported every month, while certain environmental indicators are reported every half-year and certain other types of data are reported annually. These frequencies ensure that data is regularly and appropriately monitored, in line with operational and regulatory requirements. Data collection involves dedicated tools, such as integrated data management systems for the houses and specific portals for suppliers, ensuring that high-quality data is input into information systems.

The checking and validation of information are governed by a clear attribution of roles between contributors and checkers. There are also control and validation systems defined in the Group's internal methodologies, ensuring that data is of the best possible quality through standardized, robust processes.

### Risk assessment and prioritization approach

Each functional department identifies and prioritizes risks based on the scope of its activities. The main risks identified include the risk of data being incomplete or inaccurate because of the diversity of sources and contributors, and risks relating to IT systems integration, which may lead to delays or inconsistencies in reporting.

To address those risks, strategies are implemented, including the general use of harmonized collection tools, the integration of automated controls within IT systems to detect and rapidly correct anomalies, and specific ad-hoc checks to supplement standardized checks. Those efforts form part of a continuous improvement approach that takes into account the materiality and criticality of the data. Experience-sharing takes place regularly with stakeholders

### Reporting to operational committees

The CSRD operational committee keeps the CSRD Steering Committee regularly informed about its progress and about results (in terms of speed and quality) regarding the disclosure of data and information.

### Consultation with employees representative bodies

The CSRD was presented by the Sustainability Department to the Social and Economic Committee of the *Unité économique et sociale* of Kering as part of the reporting and consultation process that took place in December 2024. The present sustainability statements were also presented for comment during the reporting and consultation process regarding the Group's strategic direction in March 2025 in accordance with the non-financial reporting standards and obligations introduced by the CSRD.

# 1.4 Methods used to prepare the sustainability statements

## Reporting scope, tools and methodology

In 2024, as part of the CSRD implementation process, sustainability statements were prepared for the Group and its houses based on the double materiality approach. Since information relating to eligible entities is included in the Group's consolidated sustainability statements, those entities are not required to publish it themselves.

Kering consolidated data from its own operations and value chain in order to cover all sustainability topics that are identified as material and dealt with in the present sustainability statements.

### Scope of the sustainability statements

The consolidated sustainability statements are based on the scope of consolidation used in the Group's financial statements for 2024, covering all of the Group's activities. Where exclusions are applied, the information is specified in relation to the indicator or reporting method concerned.

For 2024, all the Group's entities are included in the scope of social reporting, except for Futura S.r.l. Creed and Castellani Confezioni S.r.l. have been included only for the headcount and employee profile indicators. Those entities, in which the Group has only recently acquired shares, are not fully integrated in the Group's systems.

Information about one-off exclusions is provided in the relevant sections.

### Reporting period and timeframes

Kering's sustainability statements were prepared in relation to the 2024 financial year in alignment with the Group's consolidated financial statements. If an exception is applied, it is mentioned in the relevant reporting methodology.

Kering applied the following timeframes, in line with those defined in ESRS 1:

- Short-term means within one financial year;
- Medium-term means between one and five years;
- Long-term means more than 5 years.

### Estimates relating to the value chain

Indicators that include data relating to the value chain and subject to estimates are described in the relevant sections. However, as far as possible, Kering seeks to use actual data.

Kering applies a continuous improvement approach in relation to the quality of data used in environmental and carbon footprint reporting. Accordingly, the calculation methodology and associated emissions factors were reviewed and refined in 2024. The methodology was further improved with the use of a new tool for calculating the carbon footprint, which gives the houses a better view of their footprints.

Methodological changes relating to the carbon footprint are explained in the relevant section (see section 2.1.6) and data for the previous year was reassessed taking those changes into account, to ensure a consistent base for comparison. Differences between published and revised results for the previous year are also indicated in section 2.1.6.

### Sources of uncertainty in relation to estimates and results

Kering has defined reporting procedures to ensure that the information reported by its entities is consistent and transparent. In certain cases, reporting involves assumptions and methodological choices that allow the Group to assess its footprint as effectively as possible in a context where source data availability and global or sector methodological standards remain incomplete and subject to change. The main sources of estimates in relation to data concern:

- unavailable primary data, which is replaced by time-limited extrapolations (e.g. missing year-end data);
- estimates inherent in emissions factors taken from life cycle analysis (LCA) databases and methodologies and in the choice of factors for each material and country;
- methodological choices based on the accuracy of primary data for less material categories (e.g. monetary values instead of physical data for services, preference for actual data in relation to the largest sites).

### Incorporation by reference

To make the sustainability statements easier to read, references are used in order to define information once and avoid repetition. Where a reference is used, it is indicated in relation to the item of data and the chapter and section in which the information is published.

The cross-reference table covering ESRS publication requirements and that referring to data points relating to other European Union regulations are presented in chapter 8 section 5.4 of the present document.

### Additional information in the first year of reporting

For this first year implementing the CSRD and Efrag standards, the Group strove to answer almost all data points that were relevant in view of its double materiality assessment and the 29 topics identified as material. Because of certain limitations and uncertainties that remain in this first year of reporting, and also because of the Group's decentralized organization and the fact that more recent topics are still emerging, some data points will have to be disclosed and/or supplemented in later years, notably:

- full integration of legal entities such as Creed into the Group's social reporting;
- for the Group's transition plan, information on the quantification and financing of decarbonization levers is currently being refined and will be published at a later stage, along with the internal carbon price and the intermediate 2030 target. It should be noted that the 2033 target published in the present sustainability statements corresponds to elements validated by the SBTi;
- the publication of certain performance indicators (including supplier payment practices and the percentage of employees covered by a health and safety management system, information about fines, penalties and compensation for damages as result of incidents of discrimination);
- the alignment of calculation methods with ESRS for certain remuneration indicators (see section 3.1.8.4);
- enhanced policies and targets on material topics where they are currently incomplete. Please note that each section of the sustainability statements specifies the material topics for which targets have not yet been defined.

# 2 - ENVIRONMENTAL INFORMATION

## Environment: introduction

Kering is taking action to reduce its environmental footprint and to preserve the planet and its natural resources, applying innovative tools, new practices and methods, and demanding standards. Kering's Environmental policy defines the goals set by the Group in terms of improving its environmental impact and protecting the environment. It is built around the following pillars: Climate, Nature, and Circularity, covering the Group's operations and value chain. Operationally, Kering's implements its approach through a series of guidelines and cross-functional strategic tools:

- The Kering Standards – Standards and guidance for sustainable production;
- The Sustainability Principles;
- The EP&L, which measures all the Group's environmental impacts across the entire value chain.

Kering's Chief Sustainability and Institutional Affairs Officer, who is a member of the Group's Executive Committee and reports directly to Kering's Chairman and Chief Executive Officer, is responsible for implementing and overseeing all policies presented in sections 2.1 to 2.5 below.

### Kering Standards

In 2012, Kering defined a set of fundamental principles and guidelines on responsible sourcing, known as the "Kering Standards – Standards and guidance for sustainable production". These Standards were published in 2018 and are updated every year. They can be downloaded in English, Italian and French from the Group's website.

They set out the criteria imposed on the Group and its suppliers in five key areas: traceability, use of chemicals, human rights, social impact, environmental impact and animal welfare. They detail the minimum standards in those five areas that Group suppliers must meet, along with more ambitious standards that must be met by 2025 and a guide to best practice, which shows suppliers how Kering wants to change practices in the luxury industry beyond 2025. The Kering Standards are based on founding notions of integrity (traceability of materials, Chain of Custody certification, etc.), circularity (use of recycled materials where possible, consideration of the recyclability of products, etc.) and the precautionary principle (no use of GMOs, no nanomaterials, etc.). The Kering Standards cover:

- the raw materials used by the Group, representing more than 95% of its purchasing volumes;
- the Group's main manufacturing processes, namely tanning, the various stages of textile processing, leather work and shoe production;
- packaging and logistics (storage and transportation), visual tools and innovation for sustainable production;
- animal welfare, covering all species that form part of the Group's supply chains;
- supplementary guides relating to circularity (including product end-of-life), innovation and environmental claims.

Dedicated Standards also cover the planning and construction of stores as well as their operations and management, with a view to minimize their environmental impacts. An internal update of the Standards was shared in 2024. Alignment with the Kering Standards is monitored by each house and consolidated at Group level through the EP&L.

### Sustainability Principles

Kering's Sustainability Principles are available on the Group's website and have been an integral part of supplier contracts since 2016 in addition to the Suppliers' Charter, included in the Code of Ethics, that they intend to operationalize. Each supplier is responsible for passing on these principles to its own subcontractor network if applicable.

The Principles focus on three areas:

- social aspects related to human rights, workers' rights and their health and safety, such as the prohibition of child labor, forced labor, human trafficking in all its forms, discrimination, harassment, living wage, compliance with statutory working hours and respect for the freedom of association and the right to collective bargaining;
- environmental aspects, including compliance with laws as well as restricted lists of chemicals defined by Kering, environmental management and wastewater treatment;
- aspects related to the supply of raw materials and packaging, including respect for animal welfare, sourcing and traceability requirements for a number of materials used by Kering, and the prohibition of certain substances and/or certain sourcing regions (for reasons that may relate to a high risk of human rights violations – such as child labor or forced labor – or environmental concerns).

### Environmental profit and loss account (EP&L)

Kering's EP&L is a measurement tool that allows the Group to quantify and measure annually its environmental footprint across its whole value chain. It underwent a methodological review in 2024. The EP&L measures the impact that Kering and its houses have on natural capital, from the production of raw materials to the way in which customers use products and the product end of life. It covers six types of environmental impact: greenhouse gas emissions, water consumption, pollution of air and water, land use and waste production.

The EP&L serves as a strategic management tool by which Kering lays out its roadmap in terms of sourcing strategy, choice of materials and production and transformation processes. It allows the Group to prioritize its sustainability projects and guide the day-to-day choices of decision-makers to reduce Kering's environmental impact. Each year, the EP&L results are reviewed and they are the subject of discussions with each house regarding action plans to reduce its impact.

Kering is updating the impact factors used in its environmental assessment, increasing the proportion of primary data in order to gain a better view of the impact of various agricultural practices (conventional, organic, regenerative) on biodiversity, but also on water, greenhouse gases and pollution. The updating process involves data collection work and reviews of the latest scientific research.

### Main levers to reduce the Group's environmental footprint

The main ways in which the Group seeks to improve its environmental impact are as follows:

- implementation of the Kering Standards: applicable to all of the Group's houses and their suppliers, the Standards provide guidelines geared toward reducing the Group's environmental footprint;
- the rollout of targeted projects, including:
  - choice of materials (recycled, certified, regenerative, etc.),
  - the way materials are produced (location, production processes) such as chrome-free tanning technology and improvements in suppliers' environmental performance,
  - the introduction of tools that facilitate collaboration between the houses and their various departments: improving the traceability of material, materials purchasing platforms aligned with the Kering Standards, and support for positive-impact initiatives in supply chains;
- research into disruptive innovations regarding raw materials and manufacturing processes through developments of groundbreaking technologies (circularity, biotechnology, blockchain, big data, etc.).

Kering also seeks to reduce the environmental footprint related to its suppliers. The Group relies mainly on two programs developed by the Apparel Impact Institute (AII):

- clean by Design, deployed between 2013 and 2023 across 59 suppliers via dedicated engagement sessions and performance audits on the themes of water and energy. Those suppliers consisted of textile suppliers in Italy and Japan and suppliers further up the supply chain in mainland China. In 2024, the program was extended to cover 11 tanneries, in cooperation with three sector peers, in Italy's three main leather-producing regions;
- carbon Target Setting, which has been deployed since 2024 and goes beyond textile suppliers to cover suppliers that manufacture ready-to-wear apparel, leather and jewelry, along with Kering Eyewear factories. The program aims to put in place a long-term target for reducing the energy footprint of suppliers via audits and action plans. In 2024, 39 suppliers were committed to the program, and the first results are expected in early 2025.

In addition to the organization and governance of Sustainability (see section 1.3), the way the Group manages environmental objectives and applies them operationally draws on multidisciplinary committees, bringing together other key functions at Kering and its houses to ensure the implementation of its action plans and initiatives. To ensure consistent and standardized practices across the Group, reporting tools are used at all houses, as well as reporting protocols (see section 1.4) and training and awareness-raising initiatives, in addition to internal communications via the Group's corporate social media:

- in 2024, Kering pressed ahead with its Idea Labs: working groups bringing together experts and operational employees from the houses and production entities with a view to implementing practical solutions to improve the Group's impact and support its transformation. The themes covered in 2024 included: the annual update of the Kering Standards; new requirements in the Kering Standards for stores and offices; the decarbonization strategy and new SBTi targets; European regulations relating to products and packaging; the water strategy; circularity and practices regarding recyclability, packaging and ecodesign; indigenous peoples; the Group's commitment regarding deforestation and the European Deforestation Regulation (EUDR); precious skins and leather and best practice regarding customer communications about sustainability;
- operational training for specific groups of people in business lines and strategic suppliers, such as access to ZDHC resources via the ZDHC Brand to Zero and Suppliers to Zero programs (see section 2.2.2).

Finally, oversight over Kering's environmental approach forms part of a continuous improvement process that complies with best practice, from the alignment of the Group's commitments with scientifically accepted international reference texts and standards (SBTN, SBTi, TCFD etc.) to the external certification of practices and sites by independent certification organizations best suited to each type of building:

- environmental management certifications such as ISO 14001 are sought primarily for the sites that have a more significant environmental impact, such as logistics centers and tanneries. In 2024, all tanneries owned by the Group were ISO 14001 certified and 83% had LWG (Leather Working Group) certification;
- LEED (Gold or Platinum) certification is sought for stores, warehouses and offices;
- all Gucci's Italian stores and outlets have both SA8000 and ISO 45001 certification, and its production sites and offices are also ISO 14001- and ISO 45001-certified;
- Gucci has also obtained ISO 20121 Sustainable Events (fashion shows and advertisements) certification for its Guccio Gucci business (see section 2.5.3.2);
- the Group has a target for 100% of strategic suppliers with wet processes to attain level 2 of the ZDHC Suppliers to Zero program (see section 2.2.3);
- Kering and its houses also encourage – wherever relevant and particularly taking account of suppliers' size – the use of certifications under internationally recognized standards for environmental management systems (ISO 14001), labor relations (SA8000) and health and safety (ISO 45001).

# 2.1 E1 - Acting against climate change

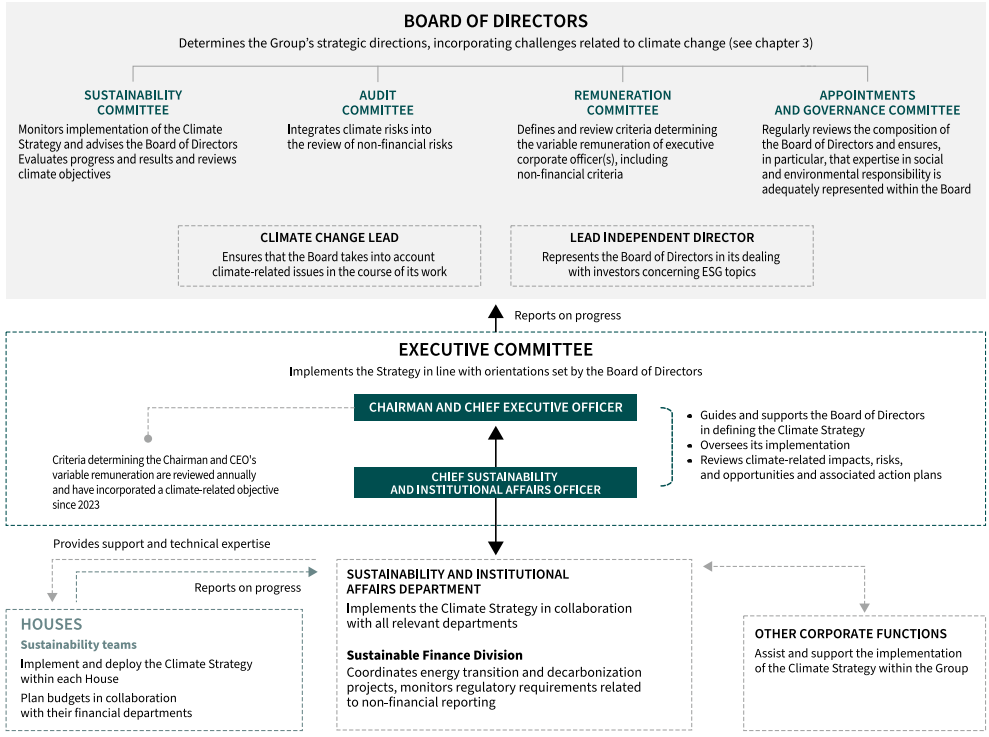
Climate change is central to Kering's strategy. The Group recognizes its responsibility and the urgent need to reduce its direct and indirect greenhouse gas emissions, while promoting sustainable practices within its value chain. Efforts to reduce climate change are crucial, not only to mitigate environmental impacts but also to ensure the Group's resilience, while transforming in depth the luxury sector's business model.

In line with commitments made to reach Paris Agreement targets, the Group has set up science-based emissions-reduction targets, aiming to be carbon-neutral by 2050.

For the second year in a row, the CDP's triple-A rating recognizes Kering's environmental commitment and actions, while also increasing the Group's credibility as a responsible participant in the luxury sector, capable of integrating economic performance with adherence to environmental imperatives.

## 2.1.1 Kering's climate governance

Kering puts climate governance at the heart of its Sustainability Strategy, factoring climate issues into its strategic decisions at all levels of the business. Kering has put in place robust mechanisms to ensure oversight of climate decisions at the highest levels of the Group: the Board of Directors and Executive Committee are regularly informed of progress toward climate targets, and frequent discussions are held to ensure that environmental initiatives are in line with the Group's long-term targets.




This approach to governance is also reflected in the inclusion of climate targets as criteria for determining the variable remuneration of executive corporate officers, as described in chapter 3 "Corporate governance", section 5.1.2 of the present Universal Registration Document.

## 2.1.2 Identifying and assessing the climate-related impacts, risks and opportunities

Kering set up a TCFD (Taskforce on Climate-Related Financial Disclosure) working group in 2020, dealing with finance, financial communication and risk management aspects, under the leadership of the Sustainability department and with the support of internal and external experts. In 2024, to strengthen its efforts to identify and assess climate risks, Kering has:

- updated climate- and nature-related risks and opportunities in connection with the double materiality analysis and the ESRS criteria of the CSRD;
- factored in criteria relating to various European and international standards covering the analysis of environmental and climate risks such as the TCFD, TNFD, SBTN and European Taxonomy;
- strengthened the Group's short- and medium-term action and adaptation plans.

### Climate scenarios

As the first step in identifying the main risks and opportunities relating to climate and nature and assessing their impact for the Group, Kering considered two climate scenarios in its analysis, including the most recent assumptions, in particular data from the latest IPCC (Intergovernmental Panel on Climate Change) report published in 2022 (AR6) and the most recent version of the NGFS transition scenarios (NGFS Phase 4, published in November 2024). The two scenarios adopted are:

| Kering-specific scenario | Description of the scenario | Scenarios used |
|---|---|---|
| Paris Agreement: temperature rise limited to +1.5°C in 2100 | Numerous measures to anticipate and mitigate climate change, international cooperation by all governments and international institutions, continuing gradual rises in already high carbon prices, and significant efforts to raise consumer awareness about climate change and its consequences | • Physical scenario: RCP 2.6<br>• Transition scenario: NGFS Net Zero 2050<br>• Socioeconomic narrative: SSP 1 |
| No mitigation: temperature rise of over 4°C in 2100 | Increase in emissions at the current rate resulting in extreme climate-related impacts, economic development driven by fossil fuels, lack of cooperation between governments and international institutions, low carbon prices, no efforts to raise consumer awareness and limited demand for sustainable products | • Physical scenario: RCP 8.5<br>• Transition scenario: NGFS Current Policies<br>• Socioeconomic narrative: SSP 5 |

Assumptions are based on climate scenarios provided by the scientific community, in particular the RCP (Representative Concentration Pathways) scenarios used as a reference by the IPCC for physical scenarios, NGFS (Network for Greening the Financial System) transition scenarios for transition risks, as well as modeling by experts such as the IEA (International Energy Agency), the World Bank and the WRI (World Resources Institute). Specific ad hoc databases recognized by the scientific community have also been used for some risks (World Bank for carbon prices, WRI Water Risk Atlas, etc.). These scenarios also take account of the recommendations of ISO 14090/91 and the TCFD and TNFD.

### Identification of climate risks and opportunities

Based on these scenarios, Kering mapped physical and transition risks and opportunities related to the climate and nature across the Group's whole value chain, and assessed the Group's resilience.

Following the double materiality assessment (see section 1.2.3), five risks and two opportunities were identified: they are detailed in the table below and their financial impact was assessed. Several timeframes were considered, with short-term (1 year) analyses and projections used in the double materiality assessment, while medium-term (2030) and long-term (2040, 2050 and beyond) ones were used in the analysis of climate and nature risks.

**RISKS AND OPPORTUNITIES**

| Risk category and resilience assessment | Related IROs | Scope | Description of risks |
|---|---|---|---|
| ***Risk***<br>*Risk type:*<br>• *Climate*<br>• *Risk Physical/acute*<br>*Timeframe > 2030*<br>*+4°C scenario* | Extreme and chronic weather events affecting Kering's assets | Group operations | **Destruction of assets and/or disruption of activities related to climate events affecting Kering sites**<br>The increase in extreme weather events may cause damage to the Group's infrastructure to an extent that is capable of disrupting its operations, reducing the value of assets and increasing CapEx for rehabilitation. |
| ***Risk***<br>*Risk type:*<br>• *Climate/Nature*<br>• *Physical risk/Chronic*<br>*Timeframe > 2030*<br>*+4°C scenario* | Disruption to direct operations and the value chain related to climate events that are chronic (drought, heatwave, etc.) or extreme (flooding, storm, etc.) | The Group's value chain and operations | **Increase in raw materials prices because of lower yields**<br>The intensification of climate change, in the form of heat and water stress on the sourcing and availability of wool, cashmere, leather, cotton and silk, would reduce yields of Kering's raw materials. This could cause the prices of those raw materials to increase. |

**RISKS AND OPPORTUNITIES**

| Risk category and resilience assessment | Related IROs | Scope | Description of risks |
|---|---|---|---|
| ***Risk***<br>*Risk type:*<br>• *Climate*<br>• *Transition risk*<br>*Timeframe > 2030*<br>*+1.5°C scenario* | Decarbonization costs | Group operations | **Increase in CapEx related to energy efficiency and decarbonizing the Group's own activities**<br>To reduce its GHG emissions, respond to tougher regulations and anticipate increases in carbon-related costs, Kering may invest in energy efficiency and decarbonization (scopes 1, 2 and 3). This could include investments in new energy systems, lower-carbon operations, the reorganization of production chains, the replacement of machines and building insulation, which would lead to an increase in CapEx. |
| ***Risk***<br>*Risk type:*<br>• *Climate*<br>• *Physical risk/Chronic*<br>*Timeframe > 2030*<br>*+4°C scenario* | Cost and availability of raw materials and operational disruption in the event of water shortages | Group operations and value chain | **Increase in disruption to operations and reduction in production capacity due to water stress**<br>Climate change reduces precipitation levels, thereby reducing the availability of water. Water shortages could directly affect Kering operations that consume water, or those of its suppliers, leading to disruption and cost increases. For example, the increasing scarcity of water could force tanneries to close during severe droughts or to relocate to areas less exposed to water shortages. |
| ***Risk***<br>*Risk type:*<br>• *Climate*<br>• *Transition*<br>*Timeframe > 2030*<br>*+1.5°C scenario* | Market risks related to energy costs | Group operations | **Increase in energy costs affecting the Group's operations**<br>Environmental regulations are becoming tougher and more and more countries are imposing or increasing carbon prices. Kering could therefore face an increase in its operating expenses related to its use of energy and other activities that emit greenhouse gases (indirect impact through increases in energy costs due to new regulations, such as ETS 2 for buildings) |
| ***Opportunity***<br>*Type of opportunity:*<br>• *Climate*<br>• *Transition*<br>*Timeframe > 2030*<br>*+1.5°C scenario* | On-site renewable energy production | Group operations | **Development of on-site renewable energy production**<br>Anticipating increases in carbon-related costs by investing in renewable energy programs and by developing on-site renewable energy production to become more self-sufficient in terms of energy supply, prevent cost increases and price volatility, and potentially generate revenue by selling surplus energy produced. |
| ***Opportunity***<br>*Type of opportunity:*<br>• *Climate/Nature*<br>• *Transition*<br>*Timeframe > 2030*<br>*+1.5°C scenario* | This opportunity is not identified as material in the list of IROs, but represents an important part of the Group's decarbonization efforts | Group operations | **Growth in revenue through the development of new circular-economy business models**<br>Circular business models are beneficial to the climate by reducing production requirements, which reduces greenhouse gas emissions and waste and saves energy, and by:<br>• Responding to new customer expectations and generating revenue through new circular business models involving aspects such as repairs, rental and second-hand products.<br>• Developing new skills that may increase a brand's value. |

Currently, the analysis does not show any material impact on the Group's financial statements. However, Kering intends to manage climate-related risks and opportunities, anticipate their effects and ensure its resilience by strengthening its adaptation policy. The assessment, review and management of climate and nature risks is part of the Group's risk management (see chapter 5 section 2 of the present document).

The impacts, risks and opportunities identified are taken into account in the Group's Transition Plan and are subject to a specific action and monitoring plan with dedicated governance (see sections 2.1.3 and 2.1.4).

## 2.1.3 Transition plan

Kering is committed to mitigate climate change by reducing its greenhouse gas (GHG) emissions, making its business activities more resilient to the effects of climate change, but also by making a positive contribution to climate change mitigation outside of its value chain. Kering's plan is therefore based on a strategy that has two key aspects:

Mitigation:

- **in the value chain, by helping to achieve net zero** with a validated target of net zero emissions by 2050, Kering is committed to **reducing its GHG emissions** according to a trajectory aligned with the aim of restricting global warming to 1.5°C ("reduce") and **neutralizing** its residual emissions by removing them permanently ("remove"), while also supporting regenerative practices in its value chain (see section 2.1.4.2);
- **outside of its value chain, through its positive contribution to climate change mitigation,** Kering has also committed to reduce and avoid GHG emissions by supporting projects for the protection and conservation of nature (see section 2.1.8).

Adaptation:

- **ensuring the resilience of business activities and adapting them to the effects of climate change** Kering protects its assets and strategic operations against physical and transition risks related to climate change by analyzing and anticipating its effects and by implementing adaptation plans (see section 2.1.5.2).

### The Group's decarbonization targets and plans

After announcing in 2023 that it was targeting a 40% absolute reduction in its GHG emissions in 2035 compared to 2021, the Group updated its climate trajectory in 2024, aligned with the Net-Zero Standard of the Science Based Targets initiative (SBTi). That trajectory was validated by the SBTi on October 31, 2024:.

- the update to Kering's targets and methodology reflects the urgent need for action and allows the Group to factor in the latest scientific requirements, while committing to a trajectory that enables it to limit global warming to 1.5°C by 2100. Kering's transition plan therefore sets validated targets for reducing GHG emissions by 2033 (short-term) and 2050 (long-term);
- those new targets include a specific commitment to reducing FLAG (Forest, Land and Agriculture) GHG emissions in its value chain, since most of Kering's sourcing consists of raw materials from the agricultural and forestry sectors;
- Kering adopted 2022 as the new baseline year for its targets (instead of 2021) in order to take into account CSRD requirements (see section 2.1.6);
- Kering has not yet defined targets for 2030, but will specify its plans in future years, in order to set targets with shorter timeframes.

Kering's main targets regarding absolute reduction in GHG emissions, as validated by the SBTi, are set out below:

#### Scopes 1 and 2:

These scopes cover direct emissions from Kering's operations and indirect emissions related to the energy consumed by Kering's operations:

- 2033 – 54.6% reduction in scopes 1 and 2 GHG emissions compared to 2022;
- 2050 – 90% reduction in scopes 1 and 2 GHG emissions compared to 2022.

#### Scope 3 - Energy and industry excluding FLAG emissions:

This scope includes indirect emissions from activities upstream and downstream from Kering's operations, except for identified FLAG emissions. Scope 3 emissions mainly come from industrial processes, transportation and the use of energy:

- 2033 – 54.6% reduction in scope 3 energy and industry GHG emissions compared to 2022;
- 2050 – 90% reduction in scope 3 energy and industry GHG emissions compared to 2022.

Note that because category 11 of the GHG Protocol (use of sold products) is regarded as optional, it is not taken into account in the above target.

#### Scope 3 - FLAG

This scope concerns indirect emissions identified as FLAG:

- 2033 – 39.4% reduction in scope 3 FLAG GHG emissions compared to 2022;
- 2050 – 72% reduction in scope 3 FLAG GHG emissions compared to 2022.

To achieve those targets, a decarbonization roadmap has been drawn up at Group level and adapted to each of the Group's houses to fit its activity and the main emission sources identified. The roadmap is based on major projects covering all the Group's activities and main logistics sites, tanneries and stores, as well as its entire supply chain. All identified levers and the related action plans are described in sections 2.1.4.2 and 2.1.5.2.

The Group is currently putting together the financing plan needed to meet those targets. However, the information provided in section 2.6 "Taxonomy" shows that the Group is investing €418 million in building renovation and selecting sites that apply the highest energy and environmental standards.

### Approval of the transition plan by governance bodies

In addition to climate governance (see section 2.1.1), the Group's decarbonization strategy involves the Group's Executive Committee, which is responsible for validating strategic decisions, as well as the management teams of each house, which are tasked with implementing and monitoring initiatives.

#### An integrated, aligned transition plan

The transition plan is an integral part of Kering's overall strategy. The decarbonization plan is part of the planning done by the Group and its houses, which ensures consistency and synergies in the action they take. The carbon trajectory is reviewed three times per year, allowing resources to be adjusted in line with progress achieved.

The Group's risk management factors in climate change risks, which are part of the risk management program overseen by the Group Risk Committee and reviewed by the Board's Audit Committee (see chapter 5 section 2).

## 2.1.4 Climate change mitigation

### 2.1.4.1 Climate change mitigation policy

By developing and implementing its Climate Strategy, which is available on Kering's website, the Group intends to play a leading role in the luxury sector's response to climate challenges, while also contributing to other environmental topics. Through its science-based targets, validated by the *Science Based Targets initiative*, Kering is committed to achieve net zero carbon emissions across its value chain by 2050, by:

- reducing GHG emissions throughout its value chain;
- removing residual GHG emissions by storing a quantity of carbon equivalent to the carbon in the atmosphere through solutions that are mainly nature-based.

Kering also makes a positive contribution outside of the value chain through voluntary offsetting of its scopes 1 and 2 emissions.

Kering's Climate Strategy covers the entire value chain of the Group and its houses, including all of its own business activities (logistics, retail, etc.).

### 2.1.4.2 Climate change mitigation initiatives

The main initiatives included in the decarbonization plan adopted by the Group and its houses ("Reduce & Remove") are as follows:

#### Reduce scopes 1 and 2 GHG emissions: Group's direct operations levers

- Optimizing the energy efficiency of sites through:
  - the Kering Standards for Stores, updated in 2024, which define expected performance levels on the basis of 11 priority themes, including energy management, partly through the use of LED technology for lighting, allowing for energy savings of up to 90% and reaching almost 100% implementation in store selling areas;
  - environmental certification of renovated sites via LEED (Gold or Platinum level), HQE or BREEAM certifications, which include criteria on optimizing energy efficiency. In 2024, the Group and the houses obtained 71 additional LEED (Gold or Platinum level) certifications for its stores and offices.
- Sourcing renewable energy through:
  - on-site production of renewable energy and the installation of solar panels. Several projects have been completed since 2011. For example, Gucci has installed solar panels at 12 sites in Italy, with total capacity of 2.3 MWh;
  - shared power purchase agreements and increased use of electricity from renewable sources in Europe, the United States and Asia;
  - purchases of renewable electricity: Kering fosters signing power purchase agreements for locally produced renewable electricity. In regions where this practice is not possible, Kering opts for buying renewable electricity certificates from renewable production systems, selecting only new or recent facilities (less than 10 years old). Since 2022, Kering has achieved the target of 100% renewable electricity in countries where that is possible, in accordance with RE100 guidelines;
  - signature of a CVPPA (Corporate Virtual Power Purchase Agreement): Kering has joined the effort by 12 brands, coordinated by the Fashion Pact. Under the agreement, representing a total of 216 GWh per year (including 43 GWh per year for Kering), a new solar farm is to be built in southern Spain, and will cover around a third of the Group's overall direct electricity consumption in Europe. The farm will come into service and will be used in the second half of 2026.

#### Reducing scope 3 GHG emissions: levers across Group's entire value chain

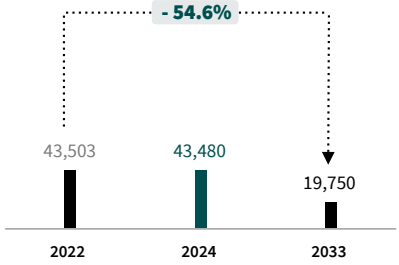
The Group is focusing its efforts on three main types of action that are most significant for Kering, accounting for 75% of scope 3 emissions:

- Sourcing of raw materials and support for suppliers (48% of scope 3) through:
  - sourcing of sustainable raw materials:
    - optimizing production volumes and inventory levels,
    - sourcing raw materials that are certified, recycled, from regenerative agriculture or innovative as defined in the Kering Standards (see section 2. Environmental information) and whose alignment is detailed in section 2.4.3.2;
  - support for suppliers:
    - Developing the Clean by Design program (see section 2. Environmental information). On average, suppliers completing the program between 2013 and 2023 reduced their energy consumption by 13%,
    - engaging with suppliers through initiatives taken by the houses, such as:
      - the assessment by Saint Laurent and Balenciaga of their denim suppliers in Japan and of various participants in the supply chain to help them improve their practices with regard to water and energy consumption and their treatment of waste, wastewater and chemicals;
      - Gucci's support for its suppliers to help them implement energy-saving solutions and increase their use of renewable energy (through on-site production or direct purchases);
- Transportation (7% of scope 3) through:
  - working with the Group's logistics platforms, houses and transportation companies to optimize the transportation of goods at the various stages of the supply chain,
  - optimizing itineraries through exhaustive analysis, helping to reduce emissions for each item dispatched,
  - a significant shift toward increasing the use of sea freight for reverse logistics and certain product categories (packaging) making up 76% of total shipments in 2024. The Group aims to increase (x4) the use of sea freight for other product categories,
  - use of electric vehicles for last-mile logistics in several countries where that is possible;

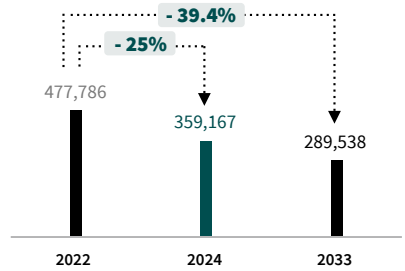
- Other levers under development (20% of scope 3) through:
  - buildings renovation with pilot projects in stores in order to use materials that have less environmental impact and can be reused in future refurbishments (see section 2.5.3.1),
  - media and marketing campaigns, with work underway to reduce the impact of media activities within the Group's footprint and identify the main levers to reduce that footprint. All houses now have access to dashboards that allow them to identify the most impactful aspects of a media campaign, so they can adopt suitable action plans.

Through those efforts, Kering achieved the following results in 2024:

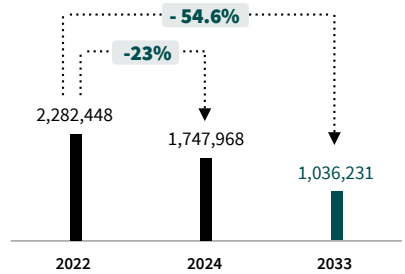
**Scopes 1 and 2 *(tCO$_2$e)*:**
**54.6% absolute reduction by 2033**




**Scope 3 FLAG *(tCO$_2$e)*:**
**39.4% absolute reduction by 2033**




**Scope 3 excluding FLAG *(tCO$_2$e)*:**
**54.6% absolute reduction by 2033**




## 2.1.4.3 Targets

In order to achieve net zero in 2050 (see section 2.1.3) and alongside its approach for optimizing production volumes and inventory levels, Kering has adopted operational sub-targets for five types of emissions-reduction action described in the following table:

| Title | 100% alignment with the Kering Standards | Build a plan to reduce strategic suppliers' energy consumption by 70% | 100% of electricity from renewable sources | 100% of stores and offices LEED-certified (Gold or Platinum) | 100% of packaging transported by sea |
|---|---|---|---|---|---|
| **Scope** | Group | Strategic suppliers | Group (in countries where that is possible according to RE100 standards) | Freestanding stores other than department stores, corners, travel retail, etc. | Group |
| **Baseline year and value** | N/A | N/A | N/A | N/A | 2022 |
| **Target year** | 2025 | 2035 | Annual target | 2035 | 2035 |
| **Methodologies and key assumptions** | Based on the Kering Standards (see section 2. Environmental information) | Clean by Design program (see section 2. Environmental Information) | RE100 standard | Based on LEED certification criteria | Internal monitoring of logistics flows |
| **Monitoring** | EP&L | Internal tool/ Clean by Design | Internal tool | Internal tool | Internal tool |
| **2024 Performance** | 83% | N/A [1] | 100% [2] | 30% | 76% |

[1] The tools for evaluating and monitoring this target are still being defined by the Group.
[2] In 46 countries – 3 countries not covered according to RE100 standards.

Detailed targets regarding sourcing are set out in sections:

- 2.1.5.3 concerning the use of recycled materials in textile products;
- 2.4.2.2 concerning the increase in use of materials from regenerative agriculture.

The Group is finalizing its work to quantify its decarbonization levers which contribution to the reduction in Kering's carbon footprint will be shared in future years.

## 2.1.5 Climate change adaptation

### 2.1.5.1 Climate change adaptation policies

Faced with the growing challenge of climate change, Kering considers climate change adaptation as a central priority. The Group's adaptation policy is based on three pillars: (i) protecting its most strategic assets from the risk of damage and destruction, (ii) securing its supply chains for raw materials and energy and (iii) ensuring the resilience of its critical operations (particularly its production sites, warehouses, stores and logistics hubs). The policy and related action plans are subject to a continuous improvement process, in order to increase the Group's resilience in dealing with physical risks resulting from climate change and ecosystem degradation.

#### Adaptation of the Group's strategic assets

The Group's policy regarding the adaptation of assets is based on its analysis of climate and nature risks, and enables it to take the necessary action (see section 2.1.2).

Kering has already adopted several initiatives to adapt to various risks, including physical risks related to climate, in order to secure both employees and Group's key assets. Those initiatives are currently covered by several departments and more specifically:

- the team in charge of insurance coverage for all Kering sites, including climate risks coverage;
- the team in charge of business continuity plans, which sets up policies to ensure that Kering's critical operations are covered by a dedicated plan to ensure the continuity of strategic operations;
- the crisis management team, which anticipates risks that may arise in the Group's various sites.

In the short term, Kering's aim is to rely on existing initiatives and organize them in such a way as to strengthen action plans to cover the main climate risks (floods, hurricanes, etc.) supported by the analysis of exposures across the Group's sites. It will then be possible to implement strategies depending on assets value (buildings, inventories, etc.) and the type of risk.

The Group's policy regarding the adaptation of assets has three main aspects:

- **Anticipate –** raise awareness within the Group and its houses regarding the exposure of strategic sites to climate risks and take them into account when identifying new sites;
- **Mitigate –** mitigate the effect of climate risks that may affect Kering sites through appropriate action;
- **Control –** ensure the continuity of the Group's operations in the event of significant damage to strategic sites.

Kering's policy regarding the adaptation of physical assets applies to:

- Kering and the houses;
- all types of sites, with the priority placed on the most strategic sites (production sites, warehouses, offices, stores operated by Kering or its Houses) that are owned or managed by Kering (including leased sites).

The policy is reviewed every year and updated accordingly, and then shared across the Group and its houses.

For logistics and industrial assets, compliance with the policy is checked during prevention visits by the Group's real-estate insurer.

In 2025, the Group's governance of physical risks relating to its assets will be strengthened through better coordination of actions taken by the various departments of the Group and the houses.

#### Sourcing of raw materials and Group operations

The analysis of climate and nature risks also forms the basis of the Group's policy regarding the adaptation of sourcing and the Group's operations (see section 2.1.2).

The main aspects of the policy regarding the adaptation of sourcing and the Group's operations are described below:

- adapt the Group's sourcing strategy in line with information in the Kering Standards (see section 2. Environmental information) regarding the zones most at risk in terms of raw materials availability, and safeguard the activities of the Group's strategic suppliers according to their exposure to climate risks (including water stress);
- adapt the Group's operations (production sites, warehouses and stores) with a specific energy supply strategy, particularly for the sites that consume the most energy; adopt responsible water management by prioritizing actions in areas of intense water stress and industrial processes that favor circularity (leather cutting, etc.);
- adapt business models and explore new ones, including the adoption of new materials (see section 2.5.1.2).

The targets mentioned apply to the Group's operations (production sites, warehouses and stores) and its sourcing of raw materials, and form part of the Group's decarbonization strategy.

### 2.1.5.2 Climate change adaptation actions (physical and transition risks)

#### Adaptation of the Group's strategic assets

Kering has carried out a detailed analysis of all its assets in order to assess their exposure and vulnerability to climate risks. That analysis enabled the Group to map the most exposed sites and identify actions already being taken in the Group's various departments.

Through that detailed analysis, common short-term action plans will be adopted for the most significant and exposed assets.

The main actions taken in 2024 were as follows:

- Asset exposure and vulnerability analysis:
  - all assets of the Group and the houses have been analyzed on the basis of their GPS coordinates,
  - the main risks have been taken into account (flooding, heavy precipitation, rising water levels, hurricanes, etc.);
- Identification of existing actions:
  - compilation of operational continuity plans and other actions covering the Group's main sites (logistics hubs, production sites, high-risk regions like Japan, etc.),
  - review of insurance coverage in relation to physical damage or business interruption;
- Monitoring and governance:
  - adoption of methods to update the analysis of asset exposure/vulnerability every year,
  - identification of the main participants to be included in governance (insurance, risk, security, real estate, finance, etc.);
- Identification of action plans:
  - development and sharing of action plans within the Group and the houses for the most exposed/vulnerable sites.

These initiatives, taken in 2024, will provide a base for developing a structured organization with targeted action plans initially focusing on extreme risks and then extending it to cover most sites operated by Kering.

### Sourcing of raw materials and Group operations

The actions described in section 2.4.3 cover both adaptation and emission-reduction matters. For example, regenerative agriculture projects improve climate resilience and soil health.

### 2.1.5.3 Targets

In the short term, Kering aims to achieve specific targets in terms of adapting its activities to the challenges of climate change. This proactive approach reflects Kering's commitment to making its operations more resilient to the effects of climate change, while pursuing its sustainability targets and reducing its carbon footprint.

| Title | Governance | Exposure and vulnerability of sites | Factoring climate risk into the Group's business plans |
|---|---|---|---|
| **Scope** | Kering and the Houses | | |
| **Baseline year and value** | 2024 | | |
| **Target year** | **2025:** Strengthening Group governance to cover physical risks related to the Group's assets | **By 2030:** 100% of sites regarded as highly exposed to climate risks must be covered by suitable plans | **By 2030:** Include climate risks within business plans regarding the opening of strategic sites (flagship stores, production sites, etc.) |
| **Methodologies and key assumptions** | Analysis of climate and nature risks (see section 2.1.2). | | |
| **Monitoring** | Internal tool | | |

## 2.1.6 Results of the Group's carbon footprint analysis

The Group reports on its carbon footprint in accordance with the GHG Protocol. The scope covers activities under the company's operational control during the financial year concerned.

Kering includes all scopes (1, 2 and 3) and applicable categories, which relate to both its own operations and all of its value chain, upstream and downstream. The categories not applicable to Kering are:

- Category 8 – *Upstream leased assets*. In accordance with the GHG Protocol's guidelines regarding leased assets, Kering recognizes the impacts associated with the energy consumption of leased assets in its scope 1 and 2 emissions;
- Category 10 – *Processing of sold products*. The impacts of this category were assessed as non-material (0.3% of scope 3 emissions excluding FLAG) and so are excluded from the Group's carbon footprint.

Scope 3 emissions are divided between FLAG emissions (related to the forestry and agriculture sectors within the value chain) and non-FLAG emissions.

The organizational scope covered by the carbon footprint tracks the impact of operations directly managed by Kering, reflecting the Group's influence over operational policies at all levels of the organization, including its subsidiaries. All of Kering's houses are included in the carbon footprint. All sites operated by the Group (stores, warehouses, offices and production sites) are covered and included in proportion to the amount of time they were open during the financial year. Kering has not identified any "locked-in emissions" in its activities.

In 2024, the Group again made continuous improvements to its GHG emissions calculation methods, aligning them more closely with the latest standards (SBTi Net Zero, GHG Protocol) and achieving greater accuracy in the results obtained. The main changes in 2024 were:

- updates to the emission factors used, allowing the use of more recent data, greater transparency regarding data sources and better harmonization across the various categories of the carbon footprint;
- quantification of new emissions sources, ensuring that the scope of impacts is comprehensive (fugitive emissions related to the use of refrigerant fluids);
- recategorization of some emissions without affecting the overall footprint (all transport emissions moved to category 4, with category 9 now being reserved for emissions related to downstream distribution);
- refinement of certain calculation methods or scopes for emissions already reported (mainly updating the measurement of energy-related emissions in stores within shopping malls and updating assumptions for the product use and end-of-life categories);
- inclusion of all Kering entities (Kering Beauté, Creed, Ginori 1735, Lindberg, Maui Jim);
- separate quantification of FLAG emissions related to the forestry and agriculture sectors within the value chain.

Emissions in past years (2022 and 2023) were recalculated using the same methods as those used for 2024, ensuring the comparability of the results published below.

In the table below, primary data sources used in calculating GHG emissions come from physical data for all categories except the following, for which monetary expenditure data were used: service expenditure in category 1, investment expenditure in category 2, investment and franchise expenditure in categories 14 and 15. As regards production (reported in category 1), data relating to monetary expenditure with respect to Kering's direct suppliers was used when calculating the impact of Tier 1 (assembly of finished products), but the emissions factors used are based on primary data relating to real physical impacts collected from the main suppliers. Overall, more than two thirds of the emissions figures in Kering's carbon footprint come from primary physical data.

### Scope 1, 2 and 3 greenhouse gas emissions ($tCO_2e$)

| | 2024 | 2023 | 2022 | Change 2024/2023 |
|---|---|---|---|---|
| **Scope 1** | 31,052 | 31,622 | 32,190 | -2% |
| **Scope 2** | | | | |
| Scope 2 - location-based[1] | 131,097 | 115,375 | 106,582 | +14% |
| Scope 2 - market-based | 12,428 | 12,729 | 11,313 | -2% |
| **Scope 3** | | | | |
| 1 - Purchased goods and services | 1,500,905 | 1,786,165 | 2,001,674 | -16% |
| 2- Capital goods | 272,051 | 339,328 | 326,180 | -20% |
| 3- Fuel and energy-related activities (not included in scopes 1 or 2) | 61,950 | 55,848 | 52,407 | +11% |
| 4- Upstream transportation and distribution | 144,915 | 181,841 | 244,586 | -20% |
| 5- Waste generated in operations | 3,680 | 3,942 | 5,078 | -7% |
| 6- Business travel | 22,111 | 21,667 | 20,408 | +2% |
| 7- Employee commuting | 36,643 | 40,078 | 40,024 | -9% |
| 8- Upstream leased assets | N/A | N/A | N/A | N/A |
| 9- Downstream transportation | 27,375 | 21,241 | 22,702 | +29% |
| 10- Processing of sold products | N/A | N/A | N/A | N/A |
| 11- Use of sold products | 9,294 | 12,395 | 14,076 | -25% |
| 12- End-of-life treatment of sold products | 8,926 | 15,909 | 18,087 | -44% |
| 13- Downstream leased assets | 1,409 | 1,391 | 1,553 | +1% |
| 14- Franchises | 23,998 | 24,456 | 26,013 | -2% |
| 15- Investments | 3,171 | 4,057 | 1,522 | -22% |
| TOTAL SCOPE 3 | 2,116,428 | 2,508,318 | 2,774,310 | -16% |
| Percentage of emissions calculated using primary data obtained from suppliers or other partners in the value chain | 71% | 72% | 76% | -1% |
| Total GHG emissions (location-based) | 2,278,577 | 2,655,315 | 2,913,082 | -14% |
| Total GHG emissions (market-based) | 2,159,908 | 2,552,669 | 2,817,813 | -15% |

[1] The Group's policy regarding purchases of renewable electricity allows it to reduce the carbon footprint of its own operations (scopes 1 and 2), while supporting, via market demand, investments in the development of related technologies (see section 2.1.4.2). If the Group had not put in place its policy regarding purchases of renewable electricity, its greenhouse gas emissions related to scope 1 and 2 energy consumption would be 273% higher.

The group did not identify any biogenic emissions in 2024.

### Intensity ($tCO_2e$/€ million of revenue)

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Total GHG emissions (location-based) ($tCO_2e$) per € million of revenue | 133 | 136 | 143 |
| Total GHG emissions (market-based) ($tCO_2e$) per € million of revenue | 126 | 131 | 138 |

## 2.1.7 Energy consumption

Energy consumption is reported on the basis of the approach used to calculate market-based scope 2 GHG emissions, taking into account contractual instruments for the purchase of energy certified as coming from renewable sources.

The methodology and scope relating to energy consumption were reviewed in 2024. Changes include:

- the scope of non-financial reporting has been aligned with the financial scope;
- the energy consumed by entities created or acquired by the Group (Kering Beauté, Creed, Maui Jim) over the past three years has been retroactively included as of January 1, 2022;
- the method for estimating the energy consumption of stores located in shopping malls and offices less than 2,000m$^2$ was adjusted so that it is based solely on actual data from stores or offices where Kering controls the energy sources and related data. This results in a more accurate and complete measurement of those energy sources.

The years 2023 and 2022 have been recalculated to allow comparison with 2024. The impact is 15% and 13%, respectively, compared to the data published in 2023, with changes in scope accounting for more than half of the impact.

**Energy consumption from Group direct operations (*in MWh*)**

| | 2024 | 2023 | 2022 | Change 2024/2023 |
|---|---|---|---|---|
| **Renewable energy** | **324,403** | **287,148** | **272,510** | **+13%** |
| Electricity purchased from renewable sources | 310,104 | 272,475 | 263,870 | +14% |
| Electricity produced from renewable sources on site and consumed by the Group | 14,237 | 14,592 | 8,539 | -2% |
| Biomass | 62 | 81[(1)] | 101[(1)] | -23% |
| **Non-renewable energies** | **110,681** | **116,661** | **121,328** | **-5%** |
| Purchased electricity | 18,840 | 22,878 | 21,198 | -18% |
| Natural gas | 84,594 | 87,196 | 92,719 | -3% |
| Heating oil | 580 | 369 | 1,026 | +57% |
| Steam, heating, cooling | 6,240 | 6,155 | 5,383 | +1% |
| LPG | 120 | 0 | 86 | N/A |
| Fuel for transportation and on-site handling | 307 | 63 | 309 | +388% |
| Other energy sources | 0 | 0 | 607 | 0% |
| Total energy consumption | 435,084 | 403,809 | 393,838 | +8% |
| Of which % of renewable energy | 75% | 71% | 69% | 3.5 points |
| Total energy consumption - pro forma scope | 361,202 | 343,914 | 351,843 | +5% |

(1) The 2022 and 2023 values have been recalculated.

**Energy production from Group direct operations (*in MWh*)**

| | 2024 | 2023 | 2022 | Change 2024/2023 |
|---|---|---|---|---|
| Energy from renewable sources | 19,771 | 19,325 | 9,748 | +2% |
| Energy from non-renewable sources | 0 | 0 | 0 | 0% |
| Total energy production | 19,771 | 19,325 | 9,748 | +2% |

Pro forma figures are calculated taking into account open sites on a full-year basis for the three consecutive reporting years considered, i.e. 2024, 2023 and 2022.

75% of the Group's energy consumption corresponds to the heating, lighting and air conditioning of stores, warehouses and offices. Electricity is still the Group's main energy source, accounting for 79% of consumption, and 95% of electricity is from renewable sources.

In 2024, energy consumption increased relative to 2023 because of the full-year impact of 2023 openings and new openings in 2024.

Energy consumed by the store network and tanning activities (considered as high climate impact sectors according to the ESRS) accounted for 54% of the Group's total energy consumption in 2024.

## 2.1.8 Evolution of the proactive carbon offsetting strategy

As part of the Group's net-zero strategy, Kering and its houses are prioritizing reducing their GHG emissions by implementing direct initiatives to reduce them in the value chain. This includes active support for certain strategic suppliers (scope 3) to help them decarbonize their activities, also called "insetting". In 2024, Kering focused on financing those efforts rather than buying carbon credits to offset its carbon emissions (2,136,560 $tCO_2e$ of credits canceled in 2023 with respect to 2022, corresponding to the voluntary offsetting of scope 1, 2 and 3 emissions excluding use of sold products).

In 2024, Kering purchased carbon credits allowing it to offset voluntarily, with respect to 2023, almost 42,000 $tCO_2e$, i.e. around the same as its scope 1 and 2 emissions, through two nature-based projects: one avoidance project in Canada and one removal project in mainland China.

As part of the Group's voluntary offsetting strategy, Kering and L'Occitane set up the Climate Fund for Nature, a fund with a target size of €300 million and fully focused on protecting and regenerating nature, managed by Mirova. The fund invests in projects to preserve primary forests and restore mangroves, as well as reforestation/afforestation and regenerative agriculture projects, with a target of 70% removal projects and 30% avoidance projects. Kering is therefore preparing its neutralization strategy in accordance with its net zero emissions target. Those projects produce nature co-benefits, which are discussed further in section 2.4.3.

At the end of 2024, four projects were active (one avoidance project and three removal projects).

### 2.1.9 Internal carbon price mechanism

Since 2012, Kering has measured and quantified its environmental impact across its entire value chain through its EP&L (Environmental Profit & Loss account, see section 2. Environmental information).

In 2015, Kering translated the impact of its greenhouse gas emissions into financial terms by using the Social Cost of Carbon (SCC) concept, which defines the cost to society of current and future changes in the climate. This led to a price per tonne of $CO_2$ equivalent. In operational terms, this monetary figure has enabled Kering and its houses to assess the impact of materials used to make each house's products, and to influence decisions to choose lower-impact materials.

To complete that approach, the Group is considering adopting an internal carbon price to guide its future investment decisions, factor climate risk into its business model and continue to assess its sustainability performance. In 2025, those discussions will continue in order to determine the economic cost per tonne of $CO_2$ equivalent for the Group, once the financing of its decarbonization trajectory has been established.

As part of its transition plan, Kering has introduced a carbon fee, which is each house's annual contribution to the funding of the Group's decarbonization efforts in its value chain (Group operations and suppliers). That contribution is determined on the basis of each house's share of the Group's total GHG emissions.

It replaces the carbon offsets previously used; the cost of carbon offset was historically allocated to the houses in proportion to each house's share of the total offsetting cost (see section 2.1.8).

## 2.2 E2 - Controlling and reducing pollution

The impacts, risks and opportunities related to water pollution identified during the double materiality assessment are presented in section 1.2.3 of the present chapter.

### 2.2.1 Policies to combat pollution

Management of chemicals used in the production of Articles by the houses is an integral part of Kering's Water Strategy (see section 2.3), the Kering Standards and the Group's Sustainability Principles (see section 2. Environmental information). As production sites use chemicals, pollutants are found in their wastewater discharges. The chemicals used and the effluents discharged by these sites must therefore be managed properly in order to prevent and limit this pollution.

#### 2.2.1.1 Policies relating to water pollution and hazardous substances

Beyond complying with regulations, Kering has set the target of eliminating all hazardous chemicals from all houses' products and production processes. These requirements apply to all suppliers, which have to implement a chemicals management system. Furthermore, the Group is aiming to reduce the quantity of pollutants discharged before treatment at all of its sites. Kering is committed to reducing operating risks related to water quality, including by establishing a policy of gradually ceasing to use of tanning agents that have a major environmental impact.

To achieve its aim of eliminating all hazardous chemicals from its production processes, Kering has adopted two lists of substances subject to manufacturing restrictions, which are appended to agreements signed between suppliers (contracts or purchasing terms and conditions) and Kering's houses:

- the Manufacturing Restricted Substances List (MRSL), which is focused on discontinuing the use of hazardous chemicals in manufacturing processes, firstly to ensure that workers within the Group's operations and in the supply chains of the houses are not exposed to hazardous substances, and secondly to reduce toxic discharges into water;
- the Product Restricted Substance List (PRSL, see section 3.4.3.1).

Kering also encourages its suppliers to improve the way they manage wastewater in three ways:

1. reduce the quantity of water and chemicals used;
2. make wastewater treatment more effective by reducing the pollutant load in the water;
3. improve water reuse and recycling with a view to achieving a complete circular loop for industrial water and, if possible, additives.

Since January 1, 2020, suppliers have had to ensure that chemicals on the MRSL are not used intentionally in the various stages of production, whether those stages take place at the supplier or in the upstream part of its supply chain. For that purpose, suppliers have to implement a chemicals management system and check their supply chains to ensure compliance. They must comply with the most recent version of the MRSL V.3.0, including MRSL ZDHC V.3.1, which forbids the use of all chemicals that contain PFAs (perfluoroalkyl and polyfluoroalkyl substances) at all stages of production and in all related activities as regards textiles, leather, rubber, foams and adhesives used particularly in the textiles, apparel, non-apparel Articles and shoes sectors.

Suppliers must be able to provide the Group and its houses with information on the quality of their wastewater, which must comply with local regulations and the standards established by the Zero Discharge of Hazardous Chemicals (ZDHC) initiative in its ZDHC Wastewater Guide.

### 2.2.1.2 Policies relating to pollution caused by microplastics and microfibers

The impact of microplastics and microfibers on human health and the environment is still a developing field of scientific study, and has not yet been properly quantified. Thus, they are an increasing source of concern for the industry. Stakeholders are gradually realizing that new activities, products and processes can contribute to the release of microplastics and microfibers, not just from synthetic materials used in textiles production but also from natural fibers, at various stages of the value chain.

As a result, Kering has structured its policy to limit the release of microfibers and microplastics in its production processes, based on the following documents:

- its Circularity Ambition (see section 2.5.1.1), via the pillar "Regenerative sourcing and clean production", which favors maximum use of recycled and renewable materials of the highest quality, along with the most durable long fibers, so as to reduce the release of microfibers and microplastics from the product design stage onward;
- the Kering Standards (see section 2, "Environmental Protection"), particularly the "Guidance for circularity" chapter, which recommends operational actions to limit the release of microfibers, from design through production processes to product end-of-life;
- the Sustainability Principles (see section 2. "Environmental Protection"), which form part of contracts formed with Group suppliers, and require suppliers to implement measures to reduce the formation of microfibers and microfiber emissions.

## 2.2.2 Actions to combat pollution

### 2.2.2.1 Combating water pollution and taking action against hazardous substances

#### Management of chemicals in Kering's operations

Special wastewater treatment measures are required for tanneries, which use large amounts of water. At all the Group's tanneries, therefore, wastewater is pretreated on site before continuing along the wastewater treatment process. The Group's Italian tanneries then send their pretreated wastewater to a special treatment plant used by several other tanneries, which purifies the water and recovers the chromium. The Group's other tanneries have their own treatment plants that use sedimentation and physicochemical and biological treatment techniques. To ensure compliance with local wastewater legislation, regular analyses are carried out at each tannery and the results are continuously monitored. If any anomalies are recorded, dedicated procedures and action plans are put in place and, where applicable, described in the ISO 14001 certified environmental management system. All of the tanneries owned by the Group are ISO 14001-certified.

#### Management of chemicals in the supply chain

Kering has been a signatory member of the ZDHC (Zero Discharge of Hazardous Chemicals) program since 2016. This is an initiative to eliminate use of the most hazardous chemicals in supply chains in the textiles, leather and shoe industries by means of two programs:

- ZDHC Brands to Zero, which aims to assess members' alignment with the ZDHC program and define a customized roadmap for each signatory, in which Kering's efforts have been assessed by a third party. In 2024, Kering achieved the highest level of performance in terms of managing chemicals and was assessed as a "Champion Brand";
- ZDHC Supplier to Zero: in 2024, Kering continued to help its suppliers achieve level 2 accreditation through training, help producing analysis reports and carrying out wastewater testing, conformity analysis of chemicals used, etc.

**Rollout of the MRSL in the supply chain**

**1. Supplier assessment**

Kering assessed more than 250 strategic suppliers in 2024, representing 89% of spend, in terms of their alignment with Kering's contractual requirements in relation to the MRSL. This was done by means of an annual self-assessment questionnaire (via the Vendor Portal, see section 4.2.2), detailed assessments, audits and certifications:

- 86% (in terms of value) of strategic suppliers assessed via the Vendor Portal with respect to chemicals management and compliance with the MRSL received a rating of "good" or "excellent";
- Results are reviewed twice per year with the houses' operational departments in order to discuss supplier compliance and define measures to be taken (help to improve their performance, implementation of remedial measures or even the termination of business relations with suppliers that fail to comply).

In addition, on-site audits and certifications are used to check whether suppliers meet requirements relating to chemicals management.

In 2023-2024, 171 direct strategic suppliers were either audited or underwent a certification process (such as Kering on-site audits, the 4Sustainability protocol, the ZDHC Supplier to Zero program Level 1 or Level 2), covering 72% of raw materials purchases (leather and fabrics) and 65% of purchases of finished products for Kering's ready-to-wear items and accessories.

In accordance with the ZDHC protocol, Kering asks its suppliers to test their wastewater in order to identify potential instances of non-compliance and contamination and to analyze the underlying reasons for any that are found, in order to improve the quality and safety of effluents.

Finally, Kering has assessed water pollution risks for all strategic suppliers involved in production for the Group's houses, depending on their location and according to internationally recognized frameworks such as Maplecroft, the WRI's Aqueduct Water Risk Framework and the WWF Risk Filter. Based on that assessment, specific action plans are put in place with those suppliers in order to mitigate risks, particularly those identified as having a material water impact for Kering.

**2. Training and support**

Half-yearly meetings with the houses about the management of chemicals were held in 2024, aimed at providing training and information on the subject, focusing on ZDHC-related initiatives, as well as making joint decisions about Kering's action and strategy in this area.

Kering also actively participated in InConnect events in partnership with the ZDHC in order to raise suppliers' awareness about chemicals management. More than 260 suppliers in Italy, Japan and Spain took part in those events. The Group also organizes specific training for certain houses and training sessions on themes such as chemical compliance.

**3. External collaborations and innovation**

Kering aims to improve water management in its industry by proposing new models of efficient water use and water recycling, investing in innovative dyeing and tanning solutions, and eliminating the use of toxic substances such as chromium and heavy metals. Kering is currently working with industry peers within the Corporate Water Leaders (CWL) network in order to formulate a full set of guidelines for water management, covering consumption, pollution and risks, for brands and their supply chains. The Group is also involved in collaborative projects relating to wastewater treatment in regions where tanning activities take place.

### Chrome-free and metal-free tanning

Kering's aim is gradually to cease using tanning agents that have a major environmental impact. Since 2017, the Group has been working closely with its tanneries, as well as its houses and their suppliers, to promote the use of leather tanned without chromium in the following ways:

1. development of chrome- and metal-free tanning at all the Group's tanneries through R&D activities;
2. close collaboration with tanneries to develop new metal-free tanned items and gradually increase the proportion of their products that are chrome- and metal-free;
3. in the collections of the houses, chrome- and metal-free tanning accounted for 46% of volumes purchased by the houses for leather goods in 2024.

## 2.2.2.2 Actions to combat pollution caused by microplastics and microfibers

In 2021, Kering joined forces with The Microfibre Consortium (TMC) as part of a collaborative approach between manufacturers and brands to highlight the need for better understanding of microfiber pollution and its adverse effect on aquatic environments and air quality. The consortium calls for the sector to measure and reduce levels of microfiber release.

As a TMC signatory, Kering must carry out several tests on the fragmentation of microfibers in the textiles used by its houses, using the testing methodology developed by TMC. By carrying out these tests with its in-house laboratory, Kering aims to acquire knowledge about how microfibers are released by the textiles most commonly used by its houses.

Kering has also made a financial contribution to the development of an online TMC course on checking for fragments of fibers in wastewater. That training course aims to raise awareness among textile producers, particularly those in the Group's supply chain, and to disseminate current best practice. The course is available to all textile producers on the ZDHC platform.

Kering is also innovating in order to reduce the amount of microfibers entering wastewater as part of the textile wet process. One of the most effective methods is to use appropriate filtration systems. Accordingly, the Group has developed two 2-year pilots with its suppliers in order to test and validate a filtration system for synthetic and natural fibers.

Finally, via its partnership with the Fashion for Good accelerator (see section 2.5.1.2), Kering has supported the development of projects such as Behind the Break in collaboration with the Scripps Institution of Oceanography, in order to identify how microfibers are generated and the textile structures best suited to reducing microfiber emissions when caring for the Group's products.

At the same time, the houses are working on reducing their use of synthetic materials and are gradually including alternative new materials in order to reduce the release of microfibers and microplastics in their production processes.

## 2.2.3 Targets and performance indicators

### 2.2.3.1 Targets

| Title | 100% of suppliers' contracts include the implementation of a chemicals management system | Level 2 of the ZDHC Supplier to Zero program for 100% of strategic suppliers using wet production processes | Assessment of 100% of strategic suppliers as regards chemicals management and compliance with the MRSL | 100% of strategic suppliers using wet production processes carrying out wastewater testing | 100% of leather tanned using chrome- and metal-free methods | Zero use of PVC |
|---|---|---|---|---|---|---|
| **Scope** | Direct suppliers | Strategic suppliers using wet production processes | Strategic suppliers | Strategic suppliers using wet production processes | Group activities including subsidiaries and houses | Products, packaging and visual tools |
| **Baseline year and value** | N/A | N/A | N/A | N/A | N/A | N/A |
| **Target year** | 2025 | 2025 | Annual target | Annual target | 2025 | Annual target |
| **Methodologies and key assumptions** | Kering MRSL ZDHC guidelines | ZDHC guidelines | Kering MRSL | ZDHC Wastewater Guidelines | Products regarded as “metal-free” or “chrome-free” according to the EN15987:2015 standard | N/A |
| **Monitoring** | Internal tool | Kering Vendor Portal, ZDHC portal | Kering Vendor Portal, ZDHC portal | Kering Vendor Portal, ZDHC portal | Internal tool | EP&L |
| **2024 Performance** | 94%[1] | 17% | 74% | 72% | 42% overall and 46% for leather goods | 0% |

[1] representing 98% of purchasing volumes.

### 2.2.3.2 Performance indicators

**Pollutants emitted (tonnes)**

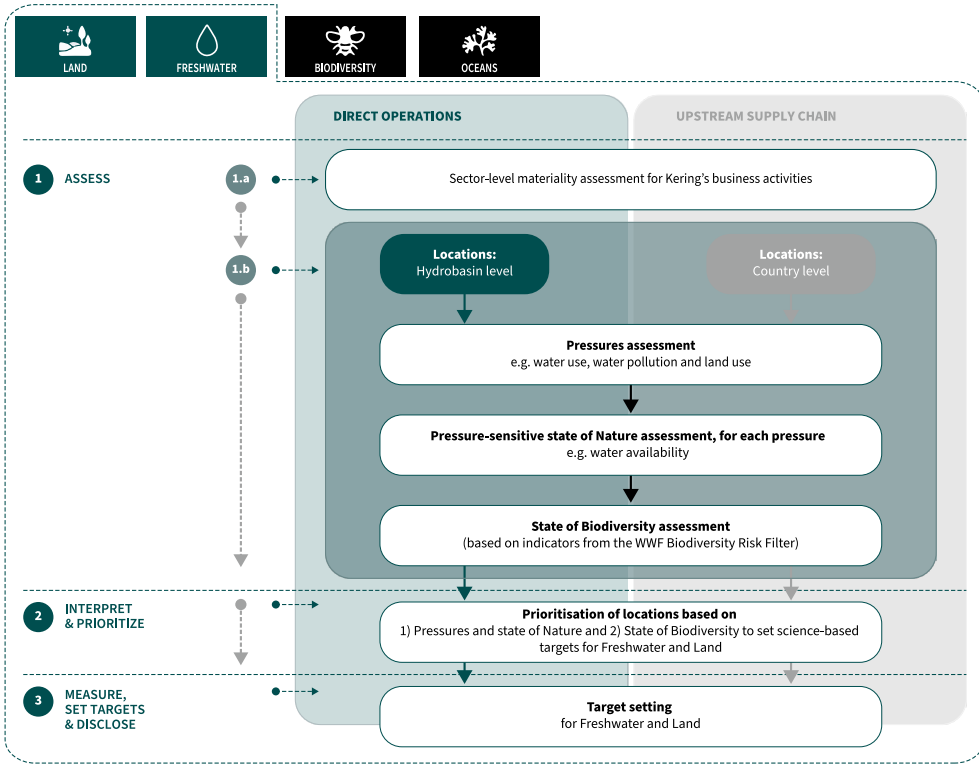
| | 2024 |
|---|---|
| Chlorides (Cl) | 398 |
| Sulfates ($SO_4$) | 173 |
| Organic carbon | 4 |
| Nitrogen (N) | 3 |
| Other[1] | 0.1 |
| TOTAL POLLUTANTS EMITTED | 578 |

[1] The Group also monitors the quantities of the following pollutants: phosphorus, chromium and zinc.

Since the Group’s tanneries are all ISO 14001-certified, they ensure that they comply with legislation and thresholds in force when using substances of concern in their activities.

## 2.3 E3 - Using water resources responsibly

In response to the challenges related to water, Kering took part in the Science Based Target for Nature (SBTN) pilot project. This participation resulted in the validation by SBTN of a freshwater target, making Kering one of the first three companies in the world to commit to targets validated by SBTN, and the first company to have validated freshwater and land targets. In 2024, Kering drew up a Water Strategy, which will be published in early 2025.



## 2.3.1 Impacts, risks and opportunities related to water management

On the basis of the scenarios described in section 2.1.2, Kering mapped the risks and opportunities related to climate and nature, physical or transitional, along the Group's entire value chain. The Group was thus able to identify its dependencies, impacts, risks and opportunities related to water management.

To complement the results of this mapping, Kering further analyzed in 2024 the exposure to water risks of the Group's sites based on their location at the watershed level, as well as those of its upstream supply chain as part of its participation in the SBTN pilot. This update was made using the SBTN's Unified State of Nature Water Layers, based on the World Resources Institute's Aqueduct and WWF Risk Filter databases. These resources helped identify the 10 priority water basins in the Group's value chain. These 10 basins are strategic locations upon which Group activities depend but which can also impact them negatively.

These analyses were complemented by the environmental impact analysis from the EP&L tool which identified the two most intensive stages for water consumption: the production of raw materials (e.g. animal rearing) and their transformation (e.g. tanning). The Group's dependencies are thus mainly concerned by the availability of water for production and treatment of raw materials.

These various analyses have informed the double materiality assessment conducted by the Group (see section 1.2.3), the results of which highlight a risk and a negative impact in the short, medium, and long term for its direct activities and value chain.

## 2.3.2 Policies on preserving water resources

The science-based analyses presented above bring to light the most relevant measures for preserving water, and even for effecting positive change. In 2024, Kering drew up its Water Strategy, which covers the entire value chain including all stakeholders and local communities. Kering built its Water Strategy following the mitigation hierarchy: "avoid, reduce, restore/ regenerate and transform". The strategy addresses the Group's dependencies and impacts on water, water-related risks, and the opportunities for becoming Net Water Positive. This refers to Kering's intention to avoid and reduce its impacts on water (quality, quantity, availability), and to regenerate the ecosystems' functions key to having a positive impact on water (i.e. improvement in the condition compared to the period before intervention). Kering is thus launching transformational projects for the 10 priority basins identified by the SBTN analysis. These basins are strategic for its operations, suppliers and/or sourcing of the raw materials vital for the houses' collections. The Water Strategy complements the Kering Standards (see section 2, Environmental information) and the Biodiversity Strategy (see section 2.4.2), thereby strengthening the resilience of the Group, its suppliers and more.

**1. Water management in direct operations**

Kering is committed to improving water management at sites it operates, particularly tanning and industrial sites, which are the largest consumers of water. This enhances the resilience of Kering's activities, especially those in water-stressed zones. The Kering Standards for Buildings and Sites promote new models for improving efficiency, such as water recycling.

Kering is also committed to reducing operating risks related to water quality, in its own operations and those of the industry (see section 2.2).

In addition, the Group has established requirements in line with WASH (Water, Sanitation and Hygiene) standards as part of its Sustainability Principles, included in the contracts with Group suppliers.

**2. Helping suppliers with their water management**

Group suppliers face the same challenges, especially given the growing climate risk. This is especially true for suppliers located in areas of water stress. Kering has determined that it is necessary to improve the efficiency of water withdrawals and the treatment of wastewater, in order to ensure the continuity of operations and the resilience of the Group and its suppliers. To this end, the Kering Standards, updated in 2024, include criteria for water management, guiding suppliers through various requirements and best practices for water management.

Kering's efforts to help suppliers with their water management are set out in the Water-Positive Stewardship Programme. The objective is not only to reduce the impacts, risks and costs related to water quality and quantity, but also to create a new standard for excellence in water management. Kering bases its supplier assistance on four pillars: collecting data and mapping climate risks; sharing and integrating industry best practices; guiding implementation and monitoring progress; and providing technical and financial support for innovation in resilient water solutions.

**3. Water supply management**

The raw materials used by Group houses, such as cotton, leather and wool, are often produced in regions where water resources are under significant pressure. To reduce these risks, Kering gives priority to organic materials, regenerative agriculture, innovative alternative materials and recycled materials. This eases the pressure on water resources while strengthening ecosystem resilience and improving the life of local communities. Details on this approach can be found in the Kering Standards for each raw material. Kering's support in the transformation of agricultural practices is also manifested in its investment in the Regenerative Fund for Nature (see section 2.4.3.2).

To measure its impacts and contributions, the Group uses EP&L (see section 2, Environmental information) which includes factors impacting water (eutrophication, ecotoxicity in freshwater, etc.).

**4. Water management at the ecosystem scale and involvement in local communities**

Kering takes into consideration the vital links among the local community, freshwater, oceans, land and climate.

Accordingly, it will be launching transformation projects for 10 priority basins, called Water Resilience Labs. These will focus on the regeneration of ecosystems under water stress, the improvement of water quality and availability, and, thanks to a holistic approach, increased resilience to extreme weather events, including local land ecosystems. In parallel with Kering's goal of becoming Net Water Positive, the Water Resilience Labs have been designed to bring about sustainable, positive impact in basins that are vital to Kering's activities and its partners, as measured by Volumetric Water Benefit Accounting (VWBA), etc. Kering favors a collective approach to water management, through close collaboration with local communities, the relevant public authorities and the local economy. Indigenous peoples and local communities are included to ensure that actions taken are relevant and beneficial to all. Consultation with affected populations will be part of action plans for a positive impact on the basin.

The Group Water Strategy is supported at the highest level by the Board of Directors and the Executive Committee, and in 2025 this will result in the Group making a formal commitment to the CEO Water Mandate. The coordination of action plans and progress assessment will be organized by a Transversal Operating Committee for the Water Strategy.

## 2.3.3 Actions to preserve water resources

In line with the strategy presented above, Kering's actions to preserve water resources cover the entire value chain. They address not only the impact on water quality and quantity, but also the Group's dependencies on this resource. Actions already in place will be reinforced in coming years, with special attention given to the 10 priority water basins given identified by SBTN.

In 2023, Kering carried out an analysis to identify the sites located in areas of water stress. This analysis was updated in 2024. The results show that, among others, the Arno basin (Tuscany, Italy), one of the 10 priority basins identified by the SBTN analysis, is located in a water-stress zone. Consequently, Kering has committed to reducing freshwater withdrawals for industrial purposes, not only at its own sites but at those of strategic suppliers in the region. In addition, the Group aims to regenerate the ecosystem and its critical functions for water.

In addition to its preservation actions, Kering is taking actions to protect water quality (see section 2.2.2).

**1. Group direct operations**

Kering and its houses aim mainly to reduce both industrial and domestic water consumption:

- the Kering Standards (see section 2. Environmental information) define requirements for each stage of the production process, in order to reduce water consumption at Group sites. The updated Standards for buildings set out requirements related to efficiency such as: prohibiting the use of drinking water for heating or air conditioning systems, or the irrigation of green spaces; encouraging water recycling; investing in innovations for low-impact dyeing and tanning;
- extending LEED certifications for renovated buildings (Gold or Platinum level) whose specifications encourage efficient water management (lower pressure for domestic use, collecting rainwater, recycling gray water, monitoring and managing consumption, etc.);
- water quantity and quality in Group tanneries: In 2024, a tannery carried out a pilot project for membrane filtration and reverse osmosis, having installed in 2023 a wastewater treatment and recycling station for industrial processes. This project lowered groundwater withdrawals and reduced the risk of pollution in natural habitats;
- Kering Eyewear implemented several initiatives at its factory in France to lower water consumption and treat wastewater. A closed-loop treatment station was installed for wastewater from the production process, allowing 100% of treated water to be reinjected into the process, along with the installation of pressurized, optical faucets that lowered water consumption by 13% from 2023 to 2024;
- Balenciaga organized awareness-raising workshops with the Development and Studio teams for water consumption in the denim production process, in order to encourage suppliers to adopt these technologies.

In addition, Kering invests in innovative production techniques which lower water consumption and pollution. For example, the Materials Innovation Lab (MIL) provides guidance for the following startups to scale up their business:

- Sonovia is using a new technique for denim dyeing capable of significantly reducing both the use of chemicals and of water for both dyeing and washing using ultrasound-induced microcavitation;
- with regard to promoting alternatives to standard cotton, Kering has committed to supporting a hydroponic cotton-production pilot for which the cotton is grown under conditions similar to those in a greenhouse (in places where the ground is severely depleted or has been artificialized), drastically reducing the land footprint, water use, and use of chemical pesticides and synthetic fertilizers.

**2. Guiding suppliers**

Kering and its houses develop innovative projects for water management all along the value chain with the implementation of the Kering Standards on how to:

- use water-efficient equipment, automate water flows, and increase liquor ratios in dyeing and finishing processes;
- use waterless dyes and efficient dyeing technologies, such as cold pad batch dyeing;
- for wet processing factories (dyeing, finishing, printing and tanning): install a reverse osmosis system at the end of the wastewater treatment process in order to close the water loop.

The Clean by Design program (see section 2. Environmental information) includes engagement sessions focused on reducing water consumption (recovery and reuse of clean cooling water and wastewater, recovery of heat from flows of hot wastewater and flue gas, networks and management of vapor and hot water, etc.). On average, suppliers completing the program between 2013 and 2023 reduced their water consumption by 8%.

All fashion houses are increasing their supply of materials that are recycled, certified, organic or from regenerative agriculture, enabling to reduce the impact on available water resources during the extraction of raw materials.

Regarding textiles, additional R&D efforts have been made toward innovative processes that require less water and pollutants, in order to bring them up to scale, particularly through the Materials Innovation Lab (see section 2.5.1.2).

**3. Supplies, ecosystems and local communities**

Supporting regenerative agriculture improves the water cycle at the local level.

Through the Regenerative Fund for Nature created in 2021 and managed by the NGO Conservation International, Kering supports seven projects transitioning toward regenerative agriculture. These projects cover a potential of 844,100 hectares undergoing regeneration. They increase the resilience of farmers faced with climate change and water shortages, and can improve local water conditions. Metrics used to measure water include the rate of water infiltration in the soil and the reduction of synthetic inputs.

In 2024, Kering increased the scope of its collaboration with Conservation International to include at least three restoration and regeneration projects at Kering's priority water basins, and to improve water accessibility.

Furthermore, Kering encourages its houses to support the transition to regenerative agricultural practices, which is reflected in their support for projects in various regions around the world, bringing Kering to over one million hectares under regeneration (see section 2.4.4).

## 2.3.4 Targets and performance indicators

### 2.3.4.1 Targets

Kering is committed to reducing freshwater withdrawals is its direct operations at the Arno basin (Tuscany, Italy) to 200 million liters per year by 2030 (reduction of 21% compared to average consumption in the basin between 2018 and 2022).

Kering is committed to reducing upstream surface water withdrawals for its supply chain at the Arno basin (Tuscany, Italy) to 471 million liters per year by 2030 (reduction of 21% compared to average consumption in the basin between 2018 and 2022).

The targets presented below will be gradually supplemented as the Group Water Strategy is deployed. They will also be visible in Kering's involvement in CDP Water ratings, SBTN and TNFD.

| Title | Reduce water withdrawals by 21% at sites operated by the Group in the Arno basin | Reduce water withdrawals by 35% at tanneries owned by the Group | Reduce water withdrawals of strategic suppliers in the Arno basin by 21% in 2030 |
|---|---|---|---|
| **Scope** | Direct operations in the Arno basin | Tanneries owned by the Group | Strategic suppliers in the Arno basin |
| **Baseline year and value** | Average between 2018 and 2022: 252 million liters | 2022: 293,236m$^3$ | Average between 2018 and 2022: 596 million liters |
| **Target year** | 2030 | 2035 | 2030 |
| **Methodologies and key assumptions** | SBTN | N/A | SBTN |
| **Monitoring** | SBTN target tracker | EP&L | SBTN target tracker |
| **2024 Performance** | -2% vs. baseline value | -15% vs. 2022 | N/A[(1)] |

(1) In 2024, Kering committed to respect the targets validated by SBTN. The tools for evaluating and monitoring this target are still being determined by the Group.

### 2.3.4.2 Indicators relative to preserving water resources

**Water withdrawals and consumption from Group direct operations (m$^3$)**

| | 2024 | 2023 | 2022 | Evolution 2024/2023 |
|---|---|---|---|---|
| Water withdrawn | 870,384 | 897,571 | 992,894 | -3% |
| Water from the public network | 626,961 | 686,557 | 766,330 | -9% |
| *of which water for domestic use* | *521,120* | *565,024* | *635,363* | -8% |
| *of which water for industrial use* | *105,841* | *121,533* | *130,967* | -13% |
| Groundwater | 243,398 | 211,014 | 226,564 | +15% |
| Rainwater | 20 | 0 | 0 | N/A |
| Surface water | 5 | 0 | 0 | N/A |
| Water discharged | 794,621 | N/A | N/A | N/A |
| Water consumed | 75,763 | N/A | N/A | N/A |
| of which water consumed in water-risk zones, incl. zones with high water stress | 54,687 | N/A | N/A | N/A |

**Water recycled and reused (m$^3$)**

| | 2024 | 2023 | 2022 | Change 2024/2023 |
|---|---|---|---|---|
| Water recycled and reused | 528 | N/A | N/A | N/A |

**Water use intensity (m$^3$/€ million of revenue)**

| | 2024 | 2023 | 2022 | Change 2024/2023 |
|---|---|---|---|---|
| Water intensity | 4 | N/A | N/A | N/A |

The methodology and scope of water consumption were reviewed in 2024. Changes include:

- the scope of non-financial reporting has been aligned with the financial scope;
- the water withdrawn by entities newly created or acquired by the Group (Kering Beauté, Creed, Maui Jim) over the past three years has been retroactively included as of January 1, 2022;
- the water consumed by stores in shopping centers and other shared retail space is not applicable, because the water points are shared by the shopping center, department store, point of sale, etc.

The years 2023 and 2022 have been recalculated to allow comparison with 2024. The impact is -7% and -4%, respectively, compared to the data published in 2023, and arises mainly from the change in the estimation method used for stores located in shopping malls.

Water withdrawn is used as follows:

- 65% for domestic purposes (cleaning, sanitary facilities, etc.);
- 35% for industrial purposes, of which 65% comes from groundwater. Water consumed for industrial purposes is primarily for tanneries.

Total water withdrawal decreased by 3% between 2024 and 2023.

The assessment of water consumption in high-risk zones is focused on Group-operated sites at which water dependency and impact are significant (e.g. tanneries and industrial sites, which accounted for 50% of Group water consumption in 2024). These sites have been analyzed using the SBTN Unified State of Nature Water Layers. Sites with a score of 4/5 or 5/5 are considered to be in water-stress zones.

## 2.4 E4 - Biodiversity and ecosystem protection

Most of the raw materials used by the Group's houses come from nature and are obtained from farms, rangelands, forests and mines. Thus, the protection of ecosystems and ensuring they work properly are essential for Kering.

Kering launched a dedicated Biodiversity Strategy in 2020 with the aim of reducing the risks associated with the Group's dependence on biodiversity and becoming "Nature Positive", which means ensuring it has a positive impact on biodiversity over a wider area than the direct and indirect land footprint of the Group's activities. To do this, the Group has made a commitment to regenerate and protect an area representing six times its total land footprint between 2020 and 2025, equal to the surface area (in hectares) needed to produce the houses' items, estimated using Kering's EP&L tool.

### 2.4.1 Impacts, risks and opportunities related to biodiversity and ecosystems

Based on the scenarios described in section 2.1.2, Kering mapped the risks and opportunities related to climate and nature, both physical and transitional, across its entire value chain in order to assess its resilience and identify its biodiversity-related dependencies, impacts, risks and opportunities.

To improve its resilience analysis, the Group assessed:

- its sites' exposure to biodiversity sensitive areas on the basis of their location, using the WWF Biodiversity Risk Filter. The result of this analysis, focused on the Group's industrial sites and tanneries – which are the most likely to have an indirect impact on biodiversity – indicates that Kering does not have any activities in key biodiversity sensitive areas;
- the Group's environmental impact across the entire value chain using the EP&L tool (see section 2. Environmental information). The impact of land occupation relates primarily to the raw materials production stage. The impacts relating to land degradation or desertification therefore occur only outside the Group's direct operations.

Finally, through its involvement in the Science Based Targets Network (SBTN) pilot, Kering has been able to assess its pressures and impacts on nature, including biodiversity and ecosystems. Using this methodology, Kering has been able to understand the state of biodiversity, the ecosystem and the scarcity of species around its value chain. In 2024, Kering was the first company to validate its targets for nature with the SBTN.

These analyses fed into the double materiality assessment, the results of which are presented in section 1.2.2.

In addition, due to the nature of its direct operations, the above analysis did not show any significant concerns in relation to invasive alien species. Furthermore, Kering is not involved in any direct activities that may have a negative impact on endangered species.

### 2.4.2 Policies related to biodiversity and ecosystems

Kering's Biodiversity Strategy was published in 2020 and updated in 2023. Inspired by the Convention on Biological Diversity (CBD) and the Post-2020 Global Biodiversity Framework, the aim of the Strategy is to become "Nature Positive" by 2025 by helping to reduce biodiversity loss and boosting the restoration and regeneration of ecosystems and species in line with Target 15 of the Global Biodiversity Framework (GBF), as agreed at COP15 on biological diversity in 2022. This Strategy is centered around the Science Based Targets Network's A3RT action framework: avoid, reduce, restore & regenerate, and transform. Kering applies this hierarchy to create a nature-positive pathway and develop scientific methodologies for ensuring that human activities respect planetary boundaries.

To speed up the process, Kering is also aligned with Target 19 of the GBF regarding increasing the level of financial resources for nature conservation and restoration via the Climate Fund for Nature, set up by Kering, L'Occitane and Mirova on the occasion of COP15. The fund aims to direct financial resources toward projects that implement nature-based solutions and offer carbon benefits, helping to combat both climate change and ecosystem degradation (see section 2.1.8).

Kering is also one of the Taskforce for Nature-Related Financial Disclosures (TNFD) early adopters and publishes a cross-reference table between this document and the recommendations made by the TNFD in its ESG Databook, available on its website.

### 2.4.2.1 Policies to combat biodiversity loss and protect ecosystems

While most material IROs do not concern the Group's direct operations, Kering is nevertheless committed to managing them by means of dedicated policies in concert with the stakeholders concerned, for example with the Kering Standards (see section 2, Environmental Information) and its adaptation policy in order to ensure the continuity of its activities and its resilience to ecosystem degradation.

#### Deforestation and ecosystem conversion

In 2024, Kering was the first company in the world to have defined a science-based target for zero deforestation and zero ecosystem conversion and have it validated by the SBTN. This is in addition to its commitment to combat deforestation and land conversion as published in the Kering Biodiversity Strategy in 2023 and rolled out among the Group's suppliers through the Kering Standards.

This commitment means that as of 2020, activities, production and sourcing within Kering's supply chains must not cause or contribute to the loss of natural ecosystems (or their conversion). This zero-conversion commitment concerns all ecosystems (land, sea and freshwater) including but not limited to ancient and endangered forests, natural forests in general (deforestation), ecosystems that meet the criteria for Key Biodiversity Areas (KBAs), areas of high conservation value, high carbon stock areas and areas of irrecoverable carbon. Raw materials produced in areas that do not meet these criteria cannot be included in Kering's supply chains. Details of Kering's commitment are set out in its biodiversity strategy and in the SBTN's Target Tracker, which went online in 2025.

#### Protection and restoration of ecosystems

In addition to its policy of no deforestation and no conversion of natural ecosystems, Kering is committed to restoring and protecting critical ecosystems outside its value chain. In line with the Global Biodiversity Framework (Target 19), Kering finances the protection of critical natural ecosystems outside its value chain by means of programs that will deliver multiple benefits for biodiversity production, avoidance of greenhouse gas emissions arising from deforestation and ecosystem degradation, carbon sequestration and improved livelihoods for local communities, primarily by means of the Climate Fund for Nature (see section 2.1.8), or rewilding projects in Spain and protection of coastlines in a number of countries in South America.

#### Precious skins

Sustainable sourcing of precious skins such as from crocodilians and other reptiles, including compliance with the strictest animal welfare standards, is a priority for the Group. Through monitoring of compliance, stringent risk management and collaboration with groups to protect nature, Kering ensures that its use of precious skins does not have a negative impact on endangered species. Kering has developed a solid framework in the form of the Kering Standards to address the potential risks associated with use of precious skins:

- compliance with laws and regulations: Kering adheres to the CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora), which ensures that international trade in specimens of wild animals and plants does not threaten the survival of the species. Most precious skins bought by the Group come under CITES Appendix II, which allows for controlled and legal trade. Kering and its houses do not source skins from species listed in Appendix I, which are highly endangered and trade of which is restricted;
- assessment of supply chain risks and transparency: Kering carries out in-depth supply chain checks, involving the houses' sustainable procurement departments and the Operations Department.

To respond to concerns relating to protected species, Kering aims to support the development of standards and certifications to enhance protection of vulnerable species, in particular crocodilians, ostriches and reptiles, such as the ICFA or the SAOBC.

#### Ocean management

Kering's assessment did not identify any material impacts for the Group in relation to oceans. However, the state of the oceans is connected to land-based activities. In this regard, Kering encourages a land-to-sea approach where necessary in biodiversity-related projects.

### 2.4.2.2 Policies to incorporate biodiversity-related matters into Kering's activities and to transform the industry

#### Raw materials sourcing and traceability

The preferred supply sources set out in the Kering Standards (see section 2. Environmental information) are defined on the basis of stringent third-party certifications that guarantee low-impact farming and mining practices, such as organic farming and use of recycled materials, as well as in relation to transformation stages (energy, water, pollutants).

In addition to the Kering Standards, the Animal Welfare Standards ensure optimum treatment of all species in the Group's supply chain (see section 4.3).

The Kering Standards and the EP&L support observance of the Group's biodiversity commitments. Kering has adopted an approach based on continuous improvement in monitoring of its supply chains in order to achieve a level of transparency and traceability – as defined by the Kering Standards – enabling to check compliance with the Group's commitments in terms of combating deforestation and ecosystem conversion – and associated biodiversity loss – including among indirect suppliers, if applicable, with verification by a third party.

Furthermore, to reduce pressure on nature, Kering has stepped up its efforts to reduce its sourcing of virgin materials by making greater use of recycled materials or materials obtained by means of less resource-intensive practices (i.e. using less water, energy, land, etc.), allowing the Group to be more resilient to the growing scarcity of certain raw materials and better manage its dependencies in relation to natural environments and their degradation.

Increasing use of recycled materials is key, reducing the overall impact on water and ecosystems of sourcing of raw materials by the Group's houses:

- for fashion, Kering's Material Innovation Lab (MIL) identifies, assesses and selects pilot projects to promote innovative recycling techniques that have reached maturity to give the Group's houses access to these materials;
- for jewelry, Kering's Precious Metals Platform resulted in 99% of gold being sustainable (recycled and/or from certified mines) in 2024.

Kering supports the development of innovative alternative materials that eliminate the need for farmland and thereby reduce pressure on biodiversity, and therefore adoption on an industrial scale represents an opportunity to transform the industry. The Group supports the development of alternative materials, in particular through its work with and investment in innovative startups and via the MIL, which supports research in a number of areas such as biotech fibers, dyeing and printing.

Finally, Kering encourages the transformation of farming practices and the move toward regenerative agriculture models, based on the following five principles:

| | Objectives: |
|---|---|
| Soil health | **Increase carbon capture capacity, water filtration capacity, and soil functionality**<br>*examples of indicators: Soil organic matter levels ; Soil productivity ; Greenhouse gas emissions ; Water infiltration rate ; Vegetation cover.* |
| Biodiversity | **Protect and restore local biodiversity (fauna and flora)**<br>*examples of indicators: Crop diversification ; Measurement of wildlife and plant diversity ; Presence of pollinators.* |
| Synthetic inputs | **Eliminate the use of synthetic inputs**<br>*examples of indicators: Selection of pest-resistant cultivars suited to local conditions ; Use of natural biological inputs ; Replacement of monoculture with crop diversification and rotation.* |
| Livelihoods of farmers | **Support the livelihoods of farmers by providing food, housing, jobs, and raw materials for various products and by supporting economies through trade**<br>*examples of indicators: Growth of direct income ; Number of people trained in and made aware of regenerative practices ; Premium price levels.* |
| Animal welfare | **Improve infrastructure for livestock: access to water and shelter, animal vaccination, training in animal welfare best practices, implementation of health plans**<br>*examples of indicators: Number of animals vaccinated ; Number of antiparasitic treatments administered ; progressive animal welfare standards ; health plans and nutrition plans.* |

Farming practices aligned with these principles help make farms more resilient to the impacts of climate change, thereby protecting the environment and ensuring sustainable performance. Each project is developed and then run with local communities in order to make agricultural production and the surrounding ecosystem more resilient.

To encourage the scaling up of sourcing of materials from regenerative agriculture and help transform the industry, Kering continues to be involved in the Regenerative Fund for Nature, which helps farmers in its supply chains in various parts of the world make the transition toward regenerative agriculture. The Group aims to quadruple use of materials from regenerative agriculture by 2035.

### Promoting ecosystem services

Kering supports the promotion of natural capital and ecosystem services, which will help to attract more financing for actors delivering biodiversity gains. The Group already helps farmers by means of contractual Payments for Ecosystem Services (PES), which promote and reward farmers who transform their practices with a benefit for biodiversity. Kering is also involved in experimental working groups focusing on creating a market to finance biodiversity with the Organisation for Biodiversity Certificates and the International Advisory Panel on Biodiversity Credits. These approaches are working to stabilize the scientific principles and methodologies required for recognition of biodiversity gains resulting from protection or regeneration.

### Social impact of consequences on biodiversity

Environmental and social challenges are intrinsically linked. Furthermore, deforestation and conversion can go hand in hand with human rights infringements. Kering's Biodiversity Strategy therefore also includes a commitment to protect human rights and livelihoods, including those of workers, local communities and indigenous peoples, in accordance with the Code of Ethics and the Human Rights Policy (see section 3.3.3).

## 2.4.3 Actions to protect biodiversity and ecosystems

### 2.4.3.1 Actions to combat biodiversity loss and protect ecosystems

#### Deforestation and ecosystem conversion

To uphold its commitment to zero deforestation and zero ecosystem conversion as part of the SBTN pilot project, Kering has drawn up a timetable for each commodity and region, implementation of which will be monitored in the SBTN Target Tracker.

In addition, Kering has continued with its efforts to improve the traceability of its supply chains (see section 3.4.3), in particular through its work with CanopyStyle, as well as by taking part in a variety of working groups and coalitions in this area. The Group's houses endeavor to obtain FSC-certified raw materials and work with suppliers to prevent deforestation (see section 2. Environmental information).

#### Protection and restoration of ecosystems

In 2024, Kering financed the protection of 500,000 hectares of critical ecosystems outside its value chains by supporting nature-based solutions, primarily through the Climate Fund for Nature (see section 2.1.8) and financing of restoration projects. These projects will help to speed up improvement in the state of biodiversity and ensure joint benefits for local communities.

Since 2018, through the Kering Precious Metal Fund, the Group has been supporting projects to restore the Amazon rainforest around alluvial gold mines in French Guiana. These projects have enabled the restoration of over 100 hectares; the reappropriation of these areas by wildlife is also monitored by local scientific teams.

Meanwhile, DoDo has once again joined forces with social enterprise Tēnaka to restore coral reefs in Malaysia and with WWF to raise public awareness about the Mediterranean monk seal, an endangered species. Qeelin has also reiterated its commitment to the WWF in mainland China to restore pandas' natural environment.

### 2.4.3.2 Actions to incorporate biodiversity-related matters into Kering's activities and to transform the industry

#### Raw materials sourcing and traceability

Kering helps its houses to align their sourcing methods with the Kering Standards. In 2024, Kering achieved the following levels of traceability and alignment with the Kering Standards:

| Raw materials | 2024 Traceability rate[1] | Level of traceability | Kering Standards target | 2024 Alignment rate[2] |
|---|---|---|---|---|
| TOTAL - ALL RAW MATERIALS | 95% | | • Traceability across the entire value chain<br>• Zero deforestation and conversion of natural ecosystems<br>• Promotion of rearing practices and regenerative agriculture<br>• Support for local communities and cultural practices<br>• Use of recycled or regenerated raw materials wherever possible<br>• Observance of the MRSL and PRSL lists: no hazardous or potentially hazardous substances used in the production process or in the finished product | 83% |
| Leather | 99% back to the country of origin<br><br>87% back to the slaughterhouse | Back to the country of origin<br><br>Back to the slaughterhouse | • From countries with lower environmental (including deforestation), social and animal welfare risks<br>• Animal welfare | 84% |
| Wool | 99% | Back to the country of origin | • Use of 100% certified, recycled or regenerative wool<br>• Rearing practices that limit the impact on natural ecosystems and soils<br>• Animal welfare | 77% |
| Cashmere | 100% | Back to the country of origin | • Use of 100% certified, recycled or regenerative cashmere<br>• Rearing practices that limit the impact on natural ecosystems and soils<br>• Animal welfare | 61% |
| Silk | 100% | Back to the country of origin | • Use of 100% certified organic, regenerative or recycled silk | 44% |
| Gold | 99% | Sourced through Kering's sourcing platform or recycled | • Use of 100% RJC CoC-certified recycled gold, or from artisanal mines that are Fairmined or Fairtrade-certified or approved by Kering | 99% |
| Cotton | 98% | Back to the country of origin | • Use of 100% certified organic, regenerative or recycled cotton | 82% |
| Paper/ Cardboard | 86%[3] | Back to the country of origin for virgin and mixed material | • Use of 100% recycled or FSC-certified paper or wood | 94% |
| Precious skins | 100% back to the country of origin<br><br>98% back to the farm or slaughterhouse | Back to the farm (farmed species) or slaughterhouse (harvested species) | • Observance of CITES procedures (international conventions for endangered species, flora and fauna)<br>• No sourcing of species threatened with extinction<br>• Sourcing from countries and supply chains that are certified or approved by Kering<br>• Preventing any adverse impact on wildlife and their habitat<br>• Animal welfare | 96% |
| Cellulosic fibers | 55% | Back to the country of origin for virgin and mixed material | • Use of 100% recycled fibers or from sustainably managed forests (FSC - Forest Stewardship Council) and sourced from suppliers with a "Dark Green Shirt" rating in CanopyPlanet's most recent Hot Button report | 61% |

(1) Traceability rate: volume of materials for which traceability has been achieved/total volume of materials purchased.
(2) Alignment rate: volume of materials for which alignment has been achieved according to the Kering Standards/total volume of materials purchased. Information is collected by declarations made by all of the Group's houses and their suppliers for each material, in order to calculate the Group's EP&L and determine rates relative to the Kering Standards.
(3) For paper and cardboard, the traceability metric was updated in 2024 to reflect the more stringent requirements of new regulations and raise Kering's expectations of its suppliers.

Furthermore, to limit demand for virgin materials and its land footprint, Kering has made advances in several models by encouraging use of recycled and innovative materials (see section 2.5.2):

- development of innovative alternative materials, without use of animal materials;
- helping startups upscale their production;
- exploring new business models (see section 2.5.1.2).

Finally, within the framework of the Regenerative Fund for Nature launched with Conservation International in 2021, Kering supported seven regenerative agriculture projects in 2024 in regions that produce key raw materials for the Group's houses: cotton, leather, wool and cashmere. Each project has a monitoring framework to assess the impact on the five areas mentioned above (see section 2.4.2.2). In 2024, the projects financed by Kering through the Fund represented a total of 844,100 hectares under regeneration and directly or indirectly involved 60,000 people worldwide. Through the Material Innovation Lab, Kering's houses include fibers produced by a number of these projects in their collections by means of a material reservation mechanism.

The houses also develop programs to encourage the development of regenerative agriculture in their supply chains:

- Gucci has launched a regenerative agriculture program with Chargeurs Luxury Fibers covering 100,000 hectares in Uruguay, which involves 13 farms, more than 150 farmworkers, their families and surrounding communities, resulting in a direct impact on 200 people. The four-year program covers land regeneration, biodiversity restoration, the circular economy in wool processing, support for women in rural areas and entrepreneurship initiatives in towns neighboring farms involved in the program, and the creation of a digital product passport based on Nativa's blockchain platform. In 2024, Gucci launched a collection of scarves made from wool from these farms, bearing a Gucci Authenticity NFC tag for customers to access information about the supply chain, from the store back to the farm. Gucci will continue to include this material in new categories in future;
- since 2022, Saint Laurent has supported a project in South Africa alongside Kering to support supply chain partners in their efforts to adopt regenerative agriculture and responsible rearing practices for wool and leather. At the end of 2024, more than 210,000 hectares had been regenerated, conserved and/or committed under the project;
- in 2023 and 2024, Balenciaga helped to pilot eDNA technology, an innovative way of monitoring biodiversity with the Epiterre sheep rearing project in France.

### Payments for Ecosystem Services

Kering did not buy or sell any biodiversity credits in 2024. However, to help farmers transform their practices, Kering pays farmers in the Causses du Quercy region of France for their actions to support local biodiversity and regenerative agriculture through the Regenerative Fund for Nature, to take account of farmers' positive contributions to biodiversity.

### Industry transformation

Kering is committed to playing an active part in the transformation of the luxury industry in combating biodiversity loss and the scarcity of raw materials by promoting use of more sustainable materials. In addition to internal actions, this is achieved through involvement in the most ambitious external collaborations:

| | | | | |
|---|---|---|---|---|
| ***Science Based Target Network Engagement Program***<br>Member | ***Organic Cotton Accelerator (OCA)***<br>Founding member | ***Textile Exchange***<br>Member | **Act4Nature**<br>Committed company | ***Organisation for Biodiversity Certificates (OBC)***<br>Board member<br>Support for scientific work and participation in working groups, financial support |
| ***The Fashion Pact***<br>Founding member and member of the Biodiversity pillar | ***One Planet for Biodiversity Business (OP2B)***<br>Member | ***International Platform for Insetting (IPI)***<br>Board member | ***Science Based Target for Nature Initial Validation Group***<br>Pilot company - and the first company to have validated targets for both freshwater and land | ***Watch and Jewellery Initiative 2030 (WJI)***<br>Founding member and member of the Preserving Natural Resources group |
| ***Taskforce on Nature Related Disclosures (TNFD)***<br>Early adopter | ***Business for Nature***<br>Supporter | ***CanopyStyle Initiative for sustainable cellulosic fibers***<br>Member | | |

### Social impact of consequences on biodiversity

Supporting projects to protect and restore critical ecosystems and regenerative agriculture projects helps support indigenous peoples and local communities (see section 3.3.3.2).

## 2.4.4 Targets

| Title | 1 million hectares of critical ecosystems (sea or land) restored and/or protected | Regenerative practices adopted for 1 million hectares of farmland | 100% alignment with the Kering Standards | 100% traceability of raw materials back to the country of origin |
|---|---|---|---|---|
| **Scope** | Outside the value chain | Value chain | Group activities, including subsidiaries and houses | Raw materials covered by the Kering Standards |
| **Baseline year and value** | 2021 (Baseline 0) | 2021 (Baseline 0) | N/A | N/A |
| **Target year** | 2025 | 2025 | 2025 | 2025 |
| **Key methodologies and assumptions** | Pure protection and/or restoration projects, hectares calculated according to percentage of the total project cost financed by Kering. | Number of hectares for which farmers receiving support have made or are in the process of making to move to regenerative practices | *Kering Standards* | *Kering Standards* |
| **Monitoring** | Internal monitoring tool | Internal monitoring tool | EP&L | EP&L |
| **2024 Performance** | 500,000 ha | 1,055,000 ha | 83% | 95% |

In October 2024, Kering made a commitment to uphold the targets validated by the SBTN during its involvement in the pilot project. The systems for assessing and monitoring these targets are still in the process of being established. Information about targets and their methodologies is available on the SBTN Target Tracker website:

- no conversion of natural ecosystems, with gradual compliance per material;
- reduction in the land footprint: reduce the land footprint by 3% between 2022 and 2030;
- landscape Engagement: Kering's commitment to regenerate and restore lands aims to considerably improve ecological and social conditions in sourcing landscapes by 2030. For example, Kering has joined the Good Growth Company's regenerative cashmere farming project in Mongolia, Olive Leaf's GRASS project (sheep wool and leather) in South Africa and the Organic Cotton Accelerator's regenerative cotton farming project in India.

# 2.5 E5 - Fostering circularity

Kering's approach to circularity is built around three pillars: circular luxury, packaging, and waste. The full scope of impacts, risks, and opportunities related to circularity, as identified in the double materiality assessment, is detailed in section 1.2.3.

## 2.5.1 Circular luxury

### 2.5.1.1 Circular luxury policies

The "Coming Full Circle" roadmap outlines Kering's approach, structured around three central aspects:

**1. Luxury that lasts**

The Group's products are the result of strategic expertise and exceptional artisanal techniques (see section 3.1.6). They are designed and created from unique materials, and are subject to rigorous quality controls to ensure their longevity (see section 3.4.3). These practices enhance both their intrinsic (physical) durability and their extrinsic durability (desirability and emotional attachment).

**2. Regenerative sourcing and clean production**

This aspect relates to chemical management, the use of regenerative, recycled, and certified materials and recycling at every stage of production. This approach, coupled with the Group's innovation strategy, has led to a growing share of materials aligned with the Kering Standards being incorporated into the houses' collections (see section 2.4.3.2).

**3. Making production processes more efficient**

Kering acts along its entire value chain and pools resources to reduce waste, eliminate single-use plastics, and ensure best practices. The Group is committed to not destroying products or surplus materials.

### 2.5.1.2 Actions to promote a circular luxury model

#### Luxury that lasts: promote circularity and the reuse of products

##### Durability by design

The houses offer their customers repair services to maintain the quality of their products and ensure their resilience, sometimes in addition to a legal warranty. For example:

- Brioni provides to its customers a reconditioning service called "Suit for Life", which it promotes via its e-commerce website;
- Bottega Veneta's "Certificate of Craft" applies to its iconic bags (Jodie, Cassette, Pouch, etc.) and takes the form of a physical card and lifetime free care services.

Kering has established several specialized repair centers across all regions of the world, so it can provide an immediate and localized service to its customers. Kering's after-sales service is an essential pillar of building loyalty toward the houses, enhancing the excellence of its savoir-faire.

To limit the quantity of unsold products at the end of each season, the Group is investing in artificial intelligence technologies to improve sales forecasts and therefore optimize production and distribution. The machine learning models set up improve the ability to anticipate seasonal demand and current trends, thereby reducing potential forecasting errors.

#### Building a new business model

Extending the lifespan of products also means looking for new business models that preserve product value and keep them within the economy. The sale of second-hand products is a strategic focus driven by Kering Ventures, whose mission is to invest in innovative new technologies, brands and business models shaping the future of luxury. Examples include the acquisition of a financial stake in the second-hand fashion platform Vestiaire Collective and in the luxury bag rental service Cocoon in 2021, and in 2024 the investment in SQIM, a pioneering innovation leader creating high-value products from low-value feedstock, through its brands Mogu and Ephea.

##### Reuse, upcycle, recycle

Kering uses artificial intelligence to optimize its sales forecasts and reduce unsold inventory. Unsold products are repurposed through private sales, donations, or upcycling and remanufacturing projects, with a view to circular solutions that can avoid destruction and downcycling (see section 2.5.3.2).

The Group contributes to accelerating product collection when customers no longer use them. This is done collectively through Extended Producer Responsibility programs, where such frameworks exist, such as Refashion in France.

#### Regenerative sourcing and clean production

Kering takes a holistic approach to sourcing through its Kering Standards. The supplier contracts of the Group's houses incorporate the Sustainability Principles, which translate the Kering Standards into contractual commitments (see section 2. Environmental information). Moreover, Kering supports agricultural initiatives that promote soil restoration and biodiversity, particularly through the Regenerative Fund for Nature (see section 2.4.3.2).

Since 2021, Kering has also been working with The Microfibre Consortium to mitigate the environmental impact of microfiber shedding (see section 2.2.2).

#### More efficient production processes: Supporting innovation within the Group

##### Material Innovation Lab (MIL)

Kering's houses can rely on the Material Innovation Lab (MIL), launched in 2013 at the heart of the Group's production sites in Italy. It consists of a team of experts and a library of materials compliant with the Kering Standards. Its three missions are outlined below:

| Provide a materials library | Investigate supply chains | Lead responsible innovation |
|---|---|---|
| • Develop materials aligned with the Kering Standards and make them available to the Houses;<br>• Provide technical support for the research and development of materials aligned with the Kering Standards;<br>• Update the material library every six months. | • Help the houses source raw materials compliant with the Kering Standards, including regenerative materials from the Regenerative Fund for Nature;<br>• Map supply chains and verify certifications;<br>• Implement a digital traceability tool. | • Identify and select textile innovations (biotech fibers, dyeing, printing, sustainable finishing, etc.);<br>• Steer these innovations to enhance their maturity and enable adoption by the Group's Houses;<br>• Work with stakeholders (accelerators, universities, experts) to validate innovative technologies. |

The MIL's main achievements in 2024 were as follows:

| | | |
|---|---|---|
| • 8,000 component samples and 600 manufacturers listed in the material library;<br>• 150 research and technical support projects;<br>• 62 textile developments launched for the Houses. | • 106 training sessions, both external (for suppliers) and internal;<br>• 3 internal operational tools: A circularity stakeholder mapping tool, guidelines for organic cotton testing, and responsible communication guidelines. | • 24 new pilot projects in collaboration with innovative startups;<br>• Green transition support for around 90 Group suppliers;<br>• Financial contributions to share the costs of certification. |

### Jewellery Innovation Lab (JIL)

The mission of the Jewellery Innovation Lab (JIL) is to support Kering's jewelry houses by:

1. Developing sustainable innovations for materials and processes;
2. Asserting the leadership of Kering and its houses through key partnerships and groundbreaking initiatives.

### Innovation in leather

The Group's tanneries carry out tests on high-quality, of non-animal origin, plastic-free materials with a significantly lower environmental impact. his work also aims to prepare the future of tanneries for new professions related to these innovative materials.

Gucci has developed a leather research center that targets specific themes such as improving product quality and safety, developing innovative materials, creating new processes to reduce water consumption and efficiently treat wastewater, and exploring ways to recycle and reuse the waste generated during production.

### Innovation-oriented initiatives from Kering's houses

In addition to Group-level initiatives, the houses also engage in innovative procedures specific to their activities and priorities. For example:

- in 2023, Boucheron unveiled its new jewelry box made of just two materials (replacing the initial 15): aluminum (including 15% recycled aluminum) and felt (RWS certified wool). Using felt means that glue and stitching are not necessary, which makes recycling easier;
- after launching its Lunaform™ coat in 2023, in 2024 Balenciaga began to sell a version of its Triple S sneaker incorporating an innovative material called Bananatex, in partnership with QWSTION studio. The material is made from abacá vegetal fibers and waterproofed using a beeswax-based treatment. Bananatex is Cradle to Cradle Certified® Gold;
- in 2023 Gucci extended its range of products made from Demetra, an animal-free material produced in Italy, to the Gucci Horsebit 1955 bag;
- Gucci's "Circular Hub" aims to speed up the transformation of production methods in the Italian fashion industry. In particular, it supports the creation of innovative and circular luxury products that maximize the use of recycled materials, durability, repairability, and recyclability at the end of their life cycle. Through the Hub, Gucci has developed the Denim Project in partnership with International *Promo Studio*, *Candiani Denim*, and *Filatura Astro* to create denim apparel made from 74% regeneratively grown cotton fibers from the Regenagri®-certified Algosur farm in Spain, and 26% post consumer recycled fibers (PCR) collected and re-spun in Italy.

## External partnerships

### Partnership with Fashion for Good

Since 2017, Kering has partnered with the accelerator Fashion for Good, which identifies sustainable innovation proposals and accelerates them for the luxury and fashion sectors.

In 2024, the emphasis was on resource-efficient treatments for industrial materials, PFA-free surface treatments, water- and oil-resistant membranes, chemical recycling of fibers, low-impact dyeing techniques, refinement of coarse fibers, and biobased or recycled alternatives.

Fashion for Good has supported 189 innovators since 2017, of whom 114 have collaborated with Kering and its houses. Since its creation, the accelerator has launched 28 collaborative projects between these innovators and its members, including 12 involving the Group. For example, in 2024 Kering took part in the following projects:

- feedstock Assessment for Biosynthetic Innovation: a study on the availability of biobased resources for the production of synthetic textiles;
- behind the Break: the impact of various technical parameters on the elimination of microfibers (see section 2.2.2.2).

### Partnership with Biofabricate

Biofabricate aims to democratize biotechnologies and biomaterials among decision-makers by connecting houses to innovators. With Kering's support, in 2023 Biofabricate launched a web platform dedicated to biomaterials, and in 2024 it organized the Biofabricate Summit bringing together an international panel of innovators, creatives, and investors.

**Kering Generation Awards**

Kering and the innovation platform Plug and Play China have created the Kering Generation Awards to promote sustainable innovation in fashion. The award program recognizes innovators based in mainland China, while raising awareness within the sector about the importance of the transition. In 2024, the fourth edition of the program was launched in mainland China and then extended to Japan with the local accelerator CIC, and in Saudi Arabia with the Saudi Fashion Commission.

Also in 2024, Kering has launched the Kering Generation Award X Jewelry to support visionary talents in sustainable design and responsible practices in jewelry. In collaboration with Boucheron, Pomellato, Qeelin, and Poli.Design - Politecnico di Milano, this international competition brings together 10 renowned universities and academies, as well as sustainable jewelry startups.

### 2.5.1.3 Targets and performance indicators

| Title | 100% alignment with the Kering Standards | Incorporate 40% recycled materials in textile products |
|---|---|---|
| **Scope** | Group activities, including subsidiaries and Houses | |
| **Baseline year and value** | N/A | N/A |
| **Target year** | 2025 | 2035 |
| **Methodologies and key assumptions** | Based on Kering Standards (see section 2. Environmental information). | |
| **Monitoring** | EP&L | EP&L |
| **2024 performance** | 83% | 6% |

**Resources inflow (*in tonnes*)**

| | 2024 |
|---|---|
| TOTAL MATERIALS | 62,733 |
| Of which certified and/or recycled content (%)[1] | 61% |
| Of which biological content (%)[2] | 86% |

(1) Certified and recycled materials are reported together to avoid any double counting.
(2) Biological materials are natural materials such as leather, cotton, wool, cashmere, etc.

Materials data have been consolidated in the Group's EP&L tool (see section 2, Environmental information).

## 2.5.2 Circular packaging

As defined in the EU Packaging Directive, packaging is an item made of any type of material, meant to contain and protect specific merchandise and allow it to be handled and shipped. In this context, certain items used to protect the Group's products, and intended to be used by customers throughout the products' lives, are not categorized as packaging: these include jewelry boxes, eyewear cases, and dust bags for clothing and shoes.

### 2.5.2.1 Circular packaging policies

Kering has established a "Circular Packaging" policy centered on the four Rs - Reduce, Reuse, Recycle, Reintegrate - to increase the circularity of packaging in the context of its activities. This policy allows for a positive impact on people and the environment by reducing the carbon footprint, resource consumption, and pollution of soil and oceans. It consists of the following two documents:

- the Kering Standards (see section 2, Environmental information;
- the Circularity Ambition, which lays out the plan to eliminate single-use plastic packaging (see section 2.5.1).

**1. Reduce**

Reducing packaging at the source is a basic principle of waste prevention. It involves:

- eliminating unnecessary or problematic packaging;
- reducing the size and weight of packaging;
- using end-to-end packaging, from supplier to store.

**2. Reuse**

The reuse of packaging is relevant for logistics, when transportation distances allow for low-impact reverse logistics.

**3. Recycle**

Designing recyclable packaging involves simplifying its composition and prioritizing mono-materials with recycling pathways. The Group does not consider the use of compostable plastic to be a viable solution, as these materials have not demonstrated environmental benefits.

**4. Reintegrate**

Reintegrating recycled or certified materials helps reduce the pressure on natural resources, and the choice to use certified materials ensures traceability and quality.

Eliminating single-use plastic (SUP) is a priority for Kering, which has committed to phasing out their use by 2025 for all BtoB and BtoC packaging. In the case of BtoB packaging, the use of plastic is permitted only if it is not single-use: it must be either reusable or circular.

Definition of "circular plastic":

- plastic origin: 100% recycled plastic content, at least 30% of which is post-consumer recycled;
- packaging designed for recyclability;
- collection and recycling at scale: at least 50% of plastic packaging must be recycled at the end of its life.

### 2.5.2.2 Actions to promote circular packaging

#### Guidelines for ecodesign and operational needs

In 2024, Kering published its Ecodesign Tool for Packaging and made it available to all of its stakeholders. The tool operationalizes the Group's policy and aims to:

- share recommendations for designing sustainable packaging (ecodesign);
- choose the best option among different packaging designs;
- better assess how well a packaging aligns with the Kering Standards.

The tool will be regularly updated to ensure compliance with EU regulations and evolving Kering Standards.

Kering and its houses are leading various projects for both logistics packaging (BtoB) and customer-facing packaging (BtoC). The goals are to reduce single-use packaging while ensuring optimal protection of merchandise, to reuse packaging where relevant, and to prioritize the design of recyclable packaging made from recycled or certified materials.

#### Packaging at logistics sites

To reduce single-use packaging, which generates significant waste, the Group is increasing its use of reusable packaging in logistics, particularly between regional warehouses and stores. For example, through the "Take Back" program, Gucci reuses plastic protective boxes for its accessories. Kering Eyewear is implementing reusable packaging for product shipping, to reduce waste and the need for new materials.

#### Packaging for customers

All the houses are developing alternatives to plastic packaging, gradually replacing it with paper (FSC-certified) or cotton (organic, GOTS-certified).

### 2.5.2.3 Targets and performance indicators

Targets are based on a desire to reduce the quantity of resources used to package merchandise and reduce the waste generated by packaging:

| Title | Reduce total weight of packaging by 30% | Eliminate single-use plastics | 100% alignment of packaging materials with the Kering Standards (i.e. recycled or certified) |
|---|---|---|---|
| **Scope** | Group activities, including subsidiaries and houses | | |
| **Baseline year and value** | 2021 - 34,504 tonnes | 2021 - 1,136 tonnes | N/A |
| **Target year** | 2025 | 2025 | 2025 |
| **Methodology and key assumptions** | N/A | Definition and assumptions with an external consultancy | The Kering Standards (see section 2. Environmental information). |
| **Monitoring** | EP&L | EP&L and internal taskforce | EP&L |
| **2024 Performance** | In 2024 the Group reduced the total weight of packaging by 47% compared to 2021, partially through a reclassification of certain packaging.(1) | In 2024 the Group reduced plastic usage in its packaging by 52% compared to 2021, partially through a reclassification of certain packaging.(1) | In 2024, the alignment rate with the *Kering Standards* for materials used in its packaging was 92%. |

(1) This change includes a reclassification for the following categories: jewelry boxes, eyewear cases, and dustbags, which are considered an integral part of the products.

**Consumption of packaging for direct Kering operations (in tonnes)**

| | 2024 | 2023 | 2022 | Change 2024/2023 |
|---|---|---|---|---|
| Paper and cardboard | 16,304 | 13,185 | 19,640 | +24% |
| Of which certified and/or recycled content (%) | 95% | | | |
| Textiles | 1,156 | 427 | 442 | +171% |
| Of which certified and/or recycled content (%) | 63% | | | |
| Plastic | 544 | 608 | 581 | -11% |
| Of which certified and/or recycled and/or biosourced content (%) | 53 % | | | |
| Metal | 98 | 70 | 50 | +41% |
| Of which certified and/or recycled content (%) | 0% | | | |
| Other materials | 60 | 40 | 43 | +50% |
| Of which certified and/or recycled content (%) | 26% | | | |
| TOTAL PACKAGING | 18,162 | 14,330 | 20,756 | +27% |
| Of which certified and/or recycled content (%) | 91% | | | |
| Of which recyclable content (%) | 91% | | | |

In 2024, the volume of packaging increased 27% year-on-year, mainly because of adjustments to the new creative directions at some houses. Paper and cardboard remain the most commonly used materials, with their proportion of the total stable at around 90%, while the use of plastic in packaging is significantly reducing, being replaced with more responsible alternatives such as recycled cotton and lyocell, reflecting the houses' commitment to reducing single-use plastics in packaging. Very little use is made of glass, which accounts for less than 0.01% of the Group's packaging.

## 2.5.3 Waste

### 2.5.3.1 Waste management policies

Kering has implemented a policy to improve waste management aligned with the waste treatment hierarchy defined by the Waste Framework Directive (2008/98/EC): prevention through reduction at the source, followed by reuse and recycling.

This policy helps reduce the impact of waste management and potential pollution, while minimizing the waste of natural resources. It is structured around four key areas:

- preventing and reducing waste at the source;
- prioritizing reuse over recycling;
- prohibiting the destruction of unused products, waste, or materials (through landfill or incineration);
- discouraging reliance on composting or biodegradation, as they have not been shown to have specific environmental benefits.

This policy is detailed in the Kering Standards (see section 2. Environmental information), in the chapters "Guidance for circularity" and "Logistics".

In 2024, Kering published an internal update to its Kering Standards for Stores: the Kering Standards for Buildings & Sites, which outline the Group's requirements regarding store and building planning, construction, and management in order to minimize their environmental impact and ensure alignment with the EU Taxonomy. This document promotes best practices for managing construction and demolition waste in compliance with LEED certification, including:

- a minimum 75% reuse or recycling rate for non-hazardous construction and demolition waste;
- sorting materials into separate waste streams and ensuring waste traceability;
- ecodesign of buildings to be resource efficient, adaptable, flexible, and dismantlable (ISO 20887 standard).

Additionally, the Kering Standards for Buildings & Sites encourage going beyond LEED certification by adopting the following material-use strategies:

- reusing at least 30% of furniture and finishing materials used (through resale or donation);
- reusing at least 30% of construction debris.

These standards were developed with the support of external stakeholders, including universities, research centers, real estate developers, architects, general contractors, and consulting firms.

### 2.5.3.2 Waste management actions

#### Building-related waste: construction, renovation, and operation

Several initiatives are in place to reduce waste from the construction or renovation of buildings, stores, and points of sale, including:

- LEED certifications: in 2024, 71 of the Group's stores and offices were certified LEED Gold or Platinum. This certification recognizes, among other criteria, the recycling of construction, demolition, and operational waste;
- Bottega Veneta's *Maison to Maison* platform lists all non-commercial items that can be exchanged between the houses to give them a second life. The goal is to have the platform ready and all houses engaged by the end of 2025;
- Pomellato's ReVamp project focuses on reusing furniture from its stores, showrooms, and points of sale;
- since 2021, Qeelin has prioritized recycling and reusing the materials and furniture of its pop-ups. They are designed in standardized formats, making it easier to reuse them across different locations. Each pop-up is intended to be used at least three or four times.

## Waste from the Group's direct operations and houses

**1. Preventing and reducing waste at the source**

The Group's houses have developed several projects to reduce waste at the source. Saint Laurent is training an AI-powered system to automate cutting processes that will reduce leather quantities and production waste. In addition, an automated nesting station further optimizes leather cutting by mixing different patterns on a single piece.

Work is being done on processes such as heavy metal-free tanning: the development and validation of alternatives for tanning helps reduce the production of hazardous waste (see section 2.2.2).

Finally, employee awareness campaigns help educate the workforce on proper waste sorting on the workplace.

**2. Reuse and recycling**

As the Group prohibits the destruction of unsold products, unused materials, and production scraps, Kering is developing solutions to give them a second life. For example, products that are not sold in stores are first offered for sale to employees (Friends & Family Sales) or donated. If any remain, pilot upcycling and remanufacturing projects are implemented.

The houses have developed several reuse, upcycling, and recycling initiatives:

- in 2024, Gucci continued its Gucci-Up program to recycle production scraps and reuse materials. In 2024, 79 tonnes of leather and 431 tonnes of fabric were upcycled or recycled;
- Balenciaga used obsolete fabrics and shoe scraps to produce insulation panels for its training center and factory in Cerreto Guidi, using 5.8 tonnes of scraps and 1.5 tonnes of fabric;
- Kering Eyewear has developed the material ReAce, a 100% recycled acetate derived from production scraps;

Several houses also partner with organizations to collect and recover production scraps, such as Saint Laurent and Balenciaga's collaboration with Relais.

## Waste from fashion shows

Fashion shows are a unique opportunity to raise awareness among all the parties involved (brands, model agencies, event organizers, media, etc.). Since 2019, the houses organizing fashion shows, have followed Kering's Green Fashion Shows guidelines, which cover governance, stakeholder relations, energy and waste management, elimination of single-use plastics, catering, and transportation. Since 2020, the Safety department has carried out procedures to check that the guidelines are applied in each show. The steps taken to minimize the overall footprint of the fashion shows include reducing and sorting waste; renting, reusing, and recovering stage materials; and reducing the movement of employees, merchandise, and equipment. Partnerships are in place with various local organizations to collect and redistribute materials (at the Group level with *La Réserve des Arts* or M.E.T.A.), as well as equipment and leftover food, to prevent the generation of waste. Gucci has obtained ISO 20121 certification for its physical and virtual fashion shows and its advertising campaigns, with compliance verified by Bureau Veritas. Over and above the Group's guidelines, Gucci applies its own standards - the Gucci Guidelines for Sustainable Events - to all the events it produces. Kering also participates in working groups on this topic arranged by fashion federations and Paris Good Fashion.

### 2.5.3.3 Targets and performance indicators

| Title | Zero destruction of unsold products | 10% reduction in total waste | 100% of stores and offices LEED-certified (Gold or Platinum) |
|---|---|---|---|
| **Scope** | Group activities, including subsidiaries and houses | Group activities, including subsidiaries and houses | Independent boutiques other than department stores, corners, travel retail, etc. |
| **Baseline year and value** | N/A | 2021 - 23,934 tonnes of waste | N/A |
| **Target year** | Each year | 2025 | 2035 |
| **Key methodologies and assumptions** | N/A | Analysis of annual waste quantities and internal practices | Based on LEED certification criteria |
| **Monitoring** | Internal dashboard for the management of unsold products | EP&L | Internal tool |
| **2024 Performance** | 0 | -3% vs. 2021 | 30% |

#### Waste produced by Kering direct operations (*in tonnes*)

Waste production figures come from Kering's annual reporting. The organizational scope covered by data collection concerns operations managed directly by Kering (stores, offices, production sites and warehouses). Waste production for 2023 has been recalculated to permit comparison with 2024 due to a change in scope: waste generated by entities newly created or acquired by the Group (Kering Beauté, Creed, Maui Jim) over the past three years has been retroactively included as of January 1, 2022. The scope of non-financial reporting has been aligned with the financial scope. The impact is a 3% increase compared to the data published in 2023.

| | 2024 | | | 2023 | | | 2022 | | | Change 2024/2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Hazardous waste | Non-hazardous waste | Total waste | Hazardous waste | Non-hazardous waste | Total waste | Hazardous waste | Non-hazardous waste | Total waste | |
| **Recovered waste** | **411** | **16,827** | **17,238** | **420** | **12,717** | **13,137** | **302** | **15,290** | **15,592** | **+31%** |
| Prepared for reuse | 3 | 640 | 644 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Recycled | 253 | 12,175 | 12,427 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Otherwise recovered | 155 | 4,012 | 4,167 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| **Destroyed waste** | **402** | **5,691** | **6,093** | **242** | **6,229** | **6,471** | **325** | **8,017** | **8,342** | **-6%** |
| Incinerated | 97 | 2,590 | 2,687 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Landfill | 153 | 2,497 | 2,650 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Otherwise destroyed | 152 | 604 | 756 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| TOTAL | 813 | 22,518 | 23,331 | 662 | 18,946 | 19,608 | 627 | 23,307 | 23,934 | +19% |

In 2024, 97% of waste generated by the Group was non-hazardous. Hazardous waste is collected and processed according to local regulations. The change in the amount of waste produced in 2024 is due mainly to better accuracy in data collection, resulting from a reduced number of estimates at selected sites in favor of a 32% increase in actual data collection compared to 2023. To a lesser extent, the opening of new offices in 2023 also contributed to this increase in 2024.

The proportion of recovered non-hazardous waste rose from 67% in 2023 to 75% in 2024.

# 2.6 Information on the European Union taxonomy

## 2.6.1 Principles and key performance indicators of the "Green Taxonomy"

This section has been prepared in accordance with EU Regulation 2020/852 of June 18, 2020 (known as the "Green Taxonomy" Regulation), Delegated Regulations (EU) 2021/2139 and (EU) 2021/2178, Climate Delegated Regulation (EU) 2023/2485 and Environmental Delegated Regulation (EU) 2023/2486 to encourage sustainable investment.

The Taxonomy aims to identify economic activities that meet at least one of the following six environmental objectives:

- Climate change mitigation;
- Climate change adaptation;
- Sustainable use and protection of water and marine resources;
- Transition to a circular economy;
- Pollution prevention and control;
- Protection and restoration of biodiversity and ecosystems.

Application of the "Green Taxonomy" Regulation has been phased in since the end of 2021. For 2024, eligible activities and alignment analysis have been extended to include the six environmental objectives. Companies are required to publish three indicators in 2024: turnover, CapEx and OpEx, corresponding to the proportion eligible and aligned in relation to the six objectives.

Despite the new activities introduced in the amendment to the Delegated Act of June 13, 2023 (CDR 2023/2485 and CDR 2023/2486), the main impact on Kering is linked to CapEx related to real estate and in particular acquisitions of property and leases, which account for the largest amounts for the Group.

### 2.6.1.1 Kering's application of the Taxonomy

#### Turnover

The Group's Houses do not have any activities with eligible turnover according to the activities listed in the Taxonomy, even though Kering and its houses are introducing various initiatives to foster circularity (see section 2.5.1).

#### Capital expenditures (CapEx)

In accordance with the regulation, Kering has analyzed its acquisitions of property, plant and equipment (IAS 16) and intangible assets (IAS 38), right-of-use assets (IFRS 16) and business combinations (IFRS 3).

The main CapEx items targeted by Kering are real estate assets, in particular new leases and new acquisitions. As a company involved in retail and luxury goods, the majority of right-of-use assets in 2024 correspond to leases for stores, most of them are located in historic buildings in city centers. In many cases, these buildings do not meet the highest energy efficiency standards. However, through its Kering Standards for Stores and building certifications (such as LEED Platinum/Gold and BREEAM), Kering fosters and improves energy efficiency of its sites and stores (see section 5.2.3.1.2).

*2024 significant events impacting CapEx:*

In 2024, acquisitions of strategic real estate assets in New York and Milan had a significant impact of €2.1 billion on the Group's capital expenditures (see Note 1 and Note 14 to the financial statements).

*Eligibility and alignment ratios*

In 2024, eligible expenditures represented 49% of total capital expenditures.

The main results of the Taxonomy analysis for 2024 were as follows:

- **7.7 Acquisition and ownership of buildings**
  - all new leases and acquisitions have been reviewed, including the strategic assets acquired in 2024;
  - the analyses took into account the climate change mitigation objective;
  - the eligible proportion relating to activity 7.7 of the Taxonomy is €1,828 million or 36% of total 2024 CapEx;
  - the aligned portion (€263 million) is 5% of the total amount. The Group relied on the collection of energy certificates (EPC) and sites' demand for primary energy and compare it with the top 15% of the most efficient buildings in the relevant regions for the purpose of preparing the alignment analysis. All the buildings were built before December 31, 2020.
- **7.2 Renovation of existing buildings**
  - the renovation of the Group's stores, offices and certain production plants is eligible for this activity;
  - these investments are eligible for the climate change mitigation and transition to a circular economy objectives;
  - renovation projects leading to a 30% reduction in energy consumption (climate change mitigation) have been included in the alignment analysis;
  - of an eligible base of €654 million, a total of €146 million was aligned (22%) in 2024.
- **7.3 Installation, maintenance and repair of energy efficiency equipment and 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings**
  - for sites for which investments are not eligible for a major renovation, an eligibility and alignment analysis of energy efficiency equipment has been conducted; the relevant amounts have been restated from renovation activities to avoid any double-counting;
  - taxonomy-aligned expenditures in energy efficiency (7.3) amounted to €7 million in 2024;
  - investments of €1.2 million in the installation of measuring and control devices (7.5) were aligned;
  - emphasis is placed on this type of expenditure in the Kering Standards for Stores, and energy efficiency features such as insulation, LED lighting, meters, etc. are included in each renovation project (see section 2.1.4.2).

Based on analysis of the technical criteria for substantial contributions, application of the "Do Not Significant Harm (DNSH)" principle and minimum safeguards, Taxonomy-aligned CapEx represents 8% of Kering's total Taxonomy CapEx, or €418 million.

Restated for the amount of strategic acquisitions made during the year (€2.1 billion in New York and Milan), which are not aligned, the alignment rate of 2024 capital expenditures is 14%, in line with the results of previous years.

Information about the methodology used and a review of DNSH criteria are provided below.

| | Proportion of CapEx/ (absolute CapEx) | |
|---|---|---|
| | **Aligned** | **Eligible** |
| Climate change mitigation (5) | 8% | 49% |
| Climate change adaptation (6) | 0% | 0% |
| Water and marine resources (7) | 0% | 0% |
| Circular economy (8) | 0% | 13% |
| Pollution (9) | 0% | 0% |
| Biodiversity and ecosystems (10) | 0% | 0% |

A detailed table of Taxonomy-eligible and Taxonomy-aligned ratios is provided in section 2.6.1.2.

## Operational expenditures (OpEx)

In 2024, total Taxonomy OpEx as defined by the regulations amounts to 4% of the Group's total operational expenditures (cost of sales, personnel expenses and other recurring operating expenses). Based on this limited amount and the nature of the expenses concerned, which do not represent the core business of Kering and its houses, the work carried out has concluded that this indicator is not material for the Group. The numerator is therefore considered to be zero. In accordance with the Regulation, the Taxonomy-eligible and Taxonomy-aligned OpEx have not been analyzed.

A detailed table of Taxonomy-eligible and Taxonomy-aligned ratios is provided in section 2.6.1.2.

## Methodological note

Alignment is based on meeting substantial contribution criteria and on the non-enforceability of a generic or specific DNSH criterion. Kering has assessed these criteria on the basis of documentation, certifications and supporting evidence required to ensure that EU Taxonomy criteria are met with regard to activities concerning the Group.

### DNSH - Climate change adaptation

The Group has analyzed the risks of exposure to chronic and acute physical risks and adaptation related to climate change, as well as the vulnerability of Kering's various sites (see section 2.1.2). The analysis has been carried out on the basis of two IPCC scenarios (RCP 2.6 and RCP 8.5) and several time horizons (2030, 2040 and 2050). Measures have been introduced within the Group (see section 2.1.5), action plans have been prepared for the highest-risk sites and regions, and business continuity plans have been introduced.

### DNSH - Water

With regard to the alignment of activity 7.2 investments – the renovation of existing buildings, Kering has checked compliance with the thresholds provided by the regulations.

### DNSH - Circular economy

For each of the renovation projects, Kering has ensured that at least 70% of construction waste by weight is prepared for recycling, reuse or any other form of recovery by collecting the necessary documentation, based in particular on work carried out to obtain LEED Gold/Platinum certification.

The Group has also checked that the design and construction techniques used promote circularity (reusing materials, dismantling, etc.) by collecting technical documentation on the materials used on construction sites.

### DNSH - Pollution

Kering has ensured that the pollutants listed in Appendix C of the Climate Delegated Act were not used, particularly for renovations of sites. The Group has implemented rigorous processes (technical analyses of the materials used, inclusion of pollutants to avoid in tenders, alignment with current regulations…) and therefore considers that the criteria are met for investments identified as aligned, despite uncertainties regarding the interpretation of the texts and the scope of substances to be analyzed.

Kering has also made sure that measures have been implemented to limit noise, dust, and polluting emissions during works.

### Minimum safeguards

The minimum safeguards apply to the entire Kering group, mostly concerning topics related to Group programs or policies. These guarantees involve adherence to the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the UN International Bill of Human Rights, and the fundamental conventions of the International Labour Organization (see section 3. Social Information). Additionally, the Group has relied on the report from the Platform for Sustainable Finance to ensure compliance with minimum safeguards concerning (i) human rights issues (see sections 3.1.7 and 3.2); (ii) corruption (see section 4.1.2); (iii) taxation (see chapter 5 section 2.4 - description of the risk related to the Compliance with national tax laws and international standards); and (iv) employee awareness of applicable competition laws and regulations (see section 4.1.2). Kering has ensured the necessary procedures are in place for these four pillars and found no violations in 2024.

### 2.6.1.2 2024 eligibility and alignment ratios[1]

**Turnover eligibility and alignment ratios**

| Financial year | | 2024 | | Substantial contribution criteria | | | | | | | DNSH (Do No Significant Harm) criteria | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic activities (1) | Code(s) (2) | Absolute turnover (3) | Proportion of turnover (4) | Climate change mitigation (5) | Climate change adaptation (6) | Water and marine resources (7) | Circular economy (8) | Pollution (9) | Biodiversity and ecosystems (10) | | Climate change mitigation (11) | Climate change adaptation (12) | Water and marine resources (13) | Circular economy (14) | Pollution (15) | Biodiversity and ecosystems (16) | Minimum safeguards (17) | Proportion of Taxonomy-aligned turnover (A.1) or Taxonomy-eligible turnover (A2), year N-1 (18) | Category enabling activity (19) | Category transitional activity (20) |
| | | (€m) | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | | Y;N | Y;N | Y;N | Y;N | Y;N | Y;N | Y;N | % | E | T |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | | |
| **A.1. Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | | |
| **Turnover of environmentally sustainable activities (A.1)** | | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | | **0%** | | |
| of which enabling | | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | | 0% | | |
| of which transitional | | 0% | 0% | | | | | | | | | | | | | | | 0% | | |
| **A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | | |
| | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | | |
| **Turnover of Taxonomy-eligible but not environmentally sustainable activities (A.2)** | | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | | **0%** | | |
| **Turnover of Taxonomy-eligible activities (A)** | | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | | **0%** | | |
| **B. TAXONOMY NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | | |
| Turnover of Taxonomy non-eligible activities | | 17,194 | 100% | | | | | | | | | | | | | | | | | |
| **Total (A + B)** | | **17,194** | **100%** | | | | | | | | | | | | | | | | | |

[1] Y: Yes; N: No; EL: Eligible; N/EL: Not eligible; n/a: Not applicable.

### Capital expenditures eligibility and alignment ratios (CapEx)

Total Taxonomy CapEx corresponding to the denominator to calculate eligibility and alignment ratios have been reconciled with the amounts shown in the consolidate financial statements:

| Expenditure category | Increase in gross value in 2024 *(in € millions)* |
|---|---|
| Lease right-of-use assets (IFRS 16)[1] | 1,720 |
| Property, plant and equipment (IAS 16)[2] | 3,040 |
| Intangible assets (IAS 38)[3] | 307 |
| **TOTAL TAXONOMY CAPEX (DENOMINATOR)** | **5,067** |

(1) Note 13 of the Notes to the consolidated financial statements, “Leases” - new leases and lease modifications.
(2) Note 14 of the Notes to the consolidated financial statements, “Property, plant and equipment”.
(3) Note 12 of the Notes to the consolidated financial statements, “Brands and other intangible assets”.

| Financial year | | 2024 | | Substantial contribution criteria | | | | | | | DNSH (Do No Significant Harm) criteria | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Economic activities (1)** | **Code(s) (2)** | **Absolute capital expenditure (3)** | **Proportion of capital expenditure (4)** | **Climate change mitigation (5)** | **Climate change adaptation (6)** | **Water and marine resources (7)** | **Circular economy (8)** | **Pollution (9)** | **Biodiversity and ecosystems (10)** | | **Climate change mitigation (11)** | **Climate change adaptation (12)** | **Water and marine resources (13)** | **Circular economy (14)** | **Pollution (15)** | **Biodiversity and ecosystems (16)** | **Minimum safeguards (17)** | **Proportion of Taxonomy-aligned CapEx (A.1) or Taxonomy-eligible CapEx (A2), year N-1 (18)** | **Category enabling activity (19)** | **Category transitional activity (20)** |
| | | *(€m)* | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | | Y; N | Y; N | Y; N | Y; N | Y; N | Y; N | Y; N | % | E | T |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | | |
| **A.1. Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | | |
| Renovation of existing buildings | CCM 7.2 | 146 | 3% | Y | N/EL | N/EL | N | N/EL | N/EL | | Y | Y | Y | Y | Y | Y | Y | 1% | N/A | T |
| Installation, maintenance and repair of energy efficiency equipment | CCM 7.3 | 7 | 0% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | | Y | Y | Y | Y | Y | Y | Y | 2% | E | N/A |
| Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings | CCM 7.5 | 1 | 0% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | | Y | Y | Y | Y | Y | Y | Y | 0% | E | N/A |
| Acquisition and ownership of buildings | CCM 7.7 | 263 | 5% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | | Y | Y | Y | Y | Y | Y | Y | 10% | N/A | N/A |
| Installation, maintenance and repair of energy efficiency equipment | CCM 7.6 | 1 | 0% | Y | N/EL | N/EL | N/EL | N/EL | N/EL | | Y | Y | Y | Y | Y | Y | Y | 0% | E | N/A |
| **Capital expenditure of environmentally sustainable activities (A.1)** | | **418** | **8%** | **8%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | | **13%** | | |
| of which enabling | | 9 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | | 2% | | |
| of which transitional | | 146 | 3% | | | | | | | | | | | | | | | 1% | | |
| **A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | | |
| | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | | |
| Renovation of existing buildings | CCM 7.2; CE 3.2 | 508 | 10% | EL | N/EL | N/EL | EL | N/EL | N/EL | | | | | | | | | 2% | | |
| Installation, maintenance and repair of energy efficiency equipment | CCM 7.3 | 3 | 0% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | | 0% | | |
| Acquisition and ownership of buildings | CCM 7.7 | 1,565 | 31% | EL | N/EL | N/EL | N/EL | N/EL | N/EL | | | | | | | | | 31% | | |
| **Capital expenditure of Taxonomy-eligible but not environmentally sustainable activities (A.2)** | | **2,076** | **41%** | **41%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | | **33%** | | |
| **Capital expenditure of Taxonomy-eligible activities (A)** | | **2,494** | **49%** | **49%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | | **46%** | | |
| **B. TAXONOMY NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | | |
| Capital expenditure of Taxonomy non-eligible activities | | 2,573 | 51% | | | | | | | | | | | | | | | | | |
| **Total (A + B)** | | **5,067** | **100%** | | | | | | | | | | | | | | | | | |

## Operational expenditures (OpEx) eligibility and alignment ratios

| Financial year | | 2024 | | Substantial contribution criteria | | | | | | | DNSH (Do No Significant Harm) criteria | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Economic activities (1) | Code(s) (2) | Absolute operational expenditures (3) | Proportion of operational expenditures (4) | Climate change mitigation (5) | Climate change adaptation (6) | Water and marine resources (7) | Circular economy (8) | Pollution (9) | Biodiversity and ecosystems (10) | | Climate change mitigation (11) | Climate change adaptation (12) | Water and marine resources (13) | Circular economy (14) | Pollution (15) | Biodiversity and ecosystems (16) | Minimum safeguards (17) | Proportion of Taxonomy-aligned OpEx (A.1) or Taxonomy-eligible OpEx (A2), year N-1 (18) | Category enabling activity (19) | Category transitional activity (20) |
| | | (€m) | % | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | Y; N; N/EL | | Y; N | Y; N | Y; N | Y; N | Y; N | Y; N | Y; N | % | E | T |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | | |
| **A.1. Environmentally sustainable activities (Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | | |
| **Operational expenditures of environmentally sustainable activities (A.1)** | | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | | **0%** | | |
| of which enabling | | n.a. | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | | 0% | | |
| of which transitional | | n.a. | 0% | | | | | | | | | | | | | | | 0% | | |
| **A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | | |
| | | | | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | EL; N/EL | | | | | | | | | | | |
| **Operational expenditures of Taxonomy-eligible but not environmentally sustainable activities (A.2)** | | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | | **0%** | | |
| **Operational expenditures of Taxonomy-eligible activities (A)** | | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | | **0%** | | |
| **B. TAXONOMY NON-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | | |
| Operational expenditures of Taxonomy non-eligible activities | | 588 | 100% | | | | | | | | | | | | | | | | | |
| **Total (A+B)** | | **588** | **100%** | | | | | | | | | | | | | | | | | |

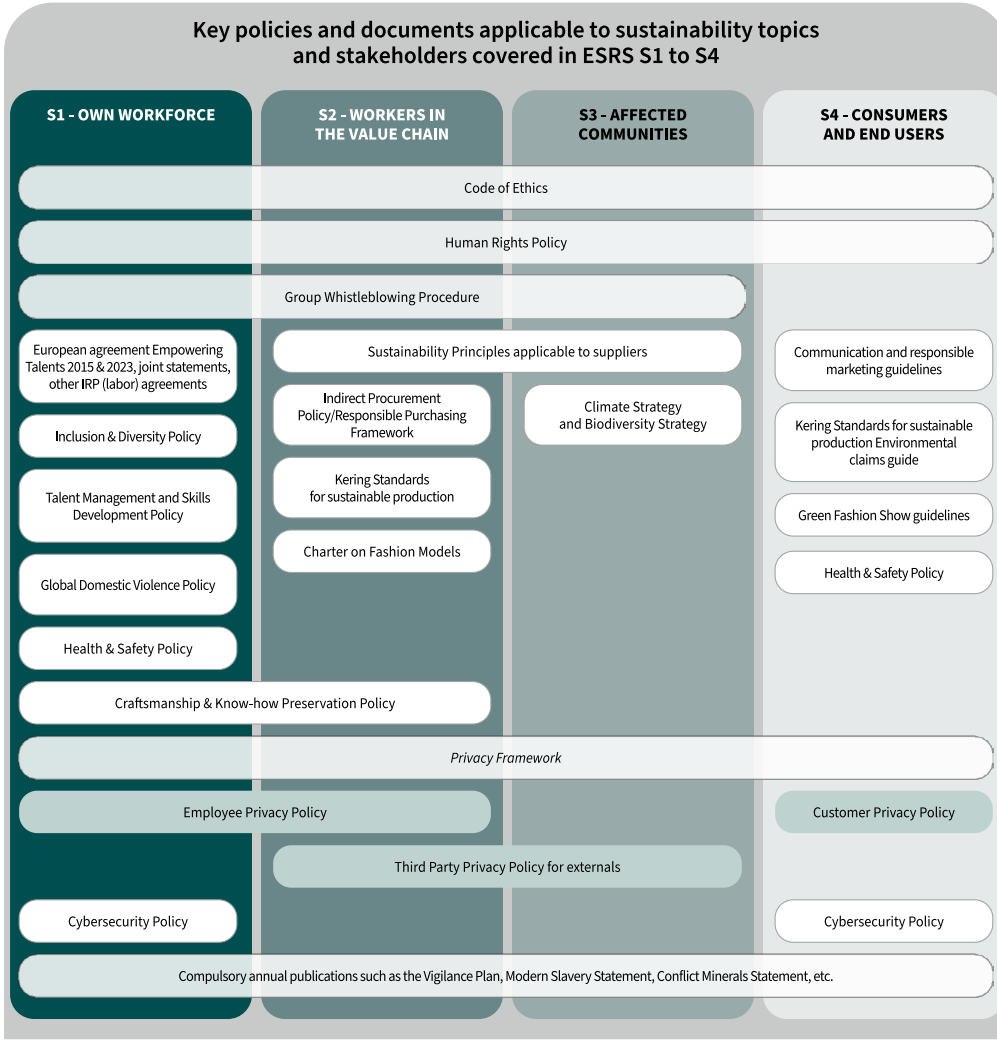
In accordance with the Climate delegated act 2022/1214 (annex XII), the table for nuclear energy activities is as follows:

| Row | Nuclear energy-related activities | |
|---|---|---|
| **1** | The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. | NO |
| **2** | The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies. | NO |
| **3** | The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades. | NO |
| | **Fossil gas related activities** | |
| **4** | The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. | NO |
| **5** | The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels. | NO |
| **6** | The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels. | NO |

# 3 - SOCIAL INFORMATION

## Social introduction

Kering has implemented a set of commitments, policies, and procedures to protect all the men and women who work directly for the Group, its suppliers, the local communities in which the Group operates and from which it makes purchases, and its customers. The Code of Ethics and the Human Rights Policy underpin the Group's values. The policies specific to each category are presented in the corresponding sections of this chapter.




## Code of Ethics, including the Suppliers' Charter

The Code of Ethics, including the Suppliers' Charter, formally sets out Kering's commitment to meet the strictest standards of business conduct. It is prefaced by the Chairman and Chief Executive Officer and has been signed by all members of the Group's Executive Committee. It has been presented to and reviewed by the Group's Board of Directors.

The Code of Ethics outlines Kering's ethical and compliance commitments with respect to the major international standards (such as the OECD's Guidelines for Multinational Enterprises and the ILO Fundamental Conventions). The Code of Ethics, available online on Kering's website and translated into 14 languages, aims to lay down formally the zero-tolerance policy on any act of corruption or influence peddling and to stridently reaffirm the Group's commitment to respect the human rights of employees and all those people active across the value chain. Lastly, the Code fleshes out Kering's commitment to the environment and its role as a responsible company.

### Human Rights Policy

Kering's Human Rights Policy covers all of its operations and its value chain including communities affected and end customers. It brings together all the commitments on human rights formally established in the Code of Ethics. This policy aims to clarify the Group's main expectations in this regard and to provide a public statement of its commitment to upholding ethical values, human rights, compliance and the environment.

## 3.1 S1 - "Employee" experience within the Group's Human Resources

The impacts, risks and opportunities related to the Group's employees identified during the double materiality assessment are presented in section 1.2.3 of this chapter.

### 3.1.1 Stakeholder interests and perspectives and interactions with the business model and strategy

The stakeholder mapping in section 1.1.2 sets out how the opinions, interests and rights of employees are identified and taken into account in the formulation of Kering's strategy and its business model.

Kering's workforce, which is covered by the information presented in this section, includes:

- all employees with permanent or with temporary contracts;
- all non-employees, or people on temporary contracts or freelancers with contractual arrangements with Kering or one of its houses. These non-employees are not taken into account in the section 3.1.8 indicators;
- note that:
  - employees of the joint ventures (JVs) are included in this section (except for Futura S.r.l) if Kering has control of the JV and otherwise, they are included in section 3.2,
  - vulnerable or specific groups such as people with disabilities at particular risk of human violations risks are paid special attention in Kering's approach,
  - lastly, 51% of Kering's workforce is located in Europe, which has strict regulations on human rights and the protection of workers' rights. Nonetheless, the mapping of human rights risks carried out in fulfillment of the duty of care identifies the regions and sectors of activity most at risk in this respect.

### 3.1.2 Processes to remediate negative impacts and channels for employees to raise concerns

#### Group whistleblowing mechanism

Kering's ethics and compliance whistleblowing mechanism is available to all the Group's employees, pursuant to the provisions of the French law on the duty of care, the Sapin II law, and the Waserman Law No 2022-401 transposing Directive 2019/1937 of the European Parliament and of the Council on the protection of persons who report breaches of Union law. These access channels are presented in the Group's Code of Ethics and Human Rights Policy, as well as in a dedicated procedure. Please see section 4.1.2.2 for more details about the whistleblowing mechanism, the handling of alerts raised and the arrangements for informing the workforce.

#### The Kering Employee Listening survey

Every year, Kering conducts the Kering Employee Listening survey. The goal is to strengthen employees' engagement, sense of belonging and performance and to gather their views and concerns, which are then analyzed at various organizational levels (manager, department, function, house, Group). The program aims to develop a feedback culture in which survey's answers lead to practical measures, such as a new company agreement on well-being or sharing the Group's strategy via live streams in the local language. Employees take the survey through a secure connection to the site hosting the questionnaire whose link is shared at the launch of the survey and includes a reminder system (via the intranet and by email).

The Group analyzes the survey results by comparing them against the previous year's results, providing a way to assess past action plan effectiveness and make adjustments, if necessary. The main survey's results and the related action plans are then relayed on internal communication platforms. Finally, the houses and the global functions may analyze their results and roll out dedicated action plans, monitored by Human Resources (HR). The houses may also conduct surveys at local levels. Eventually, the Group and its houses encourage managers to analyze the results for their teams and then build specialized action plans in order to enhance the work experience around four key pillars: internal mobility (see section 3.1.5.2), equal opportunity (section 3.1.4.2 on the Kering equal opportunity index), team collaboration and well-being at work (section 3.1.3). Managers' access to the platform is tracked and reported at Group and house levels. The same approach may also be taken for specific populations by using filters based on socio-demographic criteria, such as gender, age, length of service, professional category and other attributes. The survey can also accommodate local specificities. The houses can define three specific questions that are exclusively asked to their employees.

The survey, which complies with local regulations, includes 30 questions on engagement, well-being at work, work-life balance, collaboration, managerial practices, inclusion and diversity (including harassment and discrimination), as well as professional development (training and career opportunities).

In 2024, 39,666 employees participated in the survey, representing a 87% response rate (up 4 percentage points on the 2023 level), ensuring reliable and representative results, with an engagement score of 74/100 (compared to 73/100 in 2023). Since this tool primarily serves as a means of listening to employees, and to prevent any distortion of responses due to managerial pressure, no quantitative objectives are set regarding participation rates or results.

### Other procedures and channels available to employees

**Employee training** (see section 3.1.5.2): Kering offers a vast range of training available to its employees so they can acquire new skills and increase their employability, which reduces the risks of inadequate talent management. Not only do these initiatives help foster employee satisfaction and promote employee development, they also serve to prevent discrimination, promote equity in training and thus cultivate an inclusive environment.

The training managed by the Group has three key pillars: online training, management training and programs for executives and high-potential employees. All Kering employees have access to a library of online training courses available on the Group's Learning Management System and every year since 2022 have been invited to participate in the Global Learning Day (see section 3.1.5).

HR and management nominate the employees eligible for executives and high-potential employees' training. Lastly, management training is opened to all managers, and each house has access to the catalogue to enroll them in one or more courses. Sessions are organized locally in the national language to facilitate employee engagement.

To assess the impact of its programs, the Human Resources Department monitors every year the number of training hours and participation levels.

**Talent Reviews** (see section 3.1.5.2): Every year, all eligible employees participate in a Performance and Development Review with their manager to assess their performance against goals they have set and to identify their development needs. When the review campaign kicks off, employees are notified via the HR system, and a message is also sent through the internal communication platform. At the end of the review, training needs are compiled and sent to the Group's Training and Development department for arbitration. The process is supplemented by regular follow-up interviews, providing another channel of communication available to employees.

Finally, the Group's other policies and procedures related to mobility and careers, internal communication channels and performance culture (see section 3.1.5.2) help to curb and mitigate potentially negative impacts, while implementing the Group's commitments under its Human resources strategy.

## 3.1.3 Working conditions, health and safety, social dialogue and well-being at work

### 3.1.3.1 Policies on employee working conditions, health and safety, social dialogue and well-being at work

Kering places social dialogue and well-being at work at the very heart of its programs to promote working conditions and the health and safety of its employees. The Group also innovates with the definition and deployment of progressive Group policies since 2010, in particular:

- the Charter of Commitments on the quality of life at work and the prevention of work-related stress, which was signed on July 27, 2020, with the Group's employees representatives: the European Works Council (EWC);
- the European Agreement was signed on February 19, 2015, with the EWC, which set three goals to foster the development of all employees and support Group performance: developing a work environment and relationships ensuring well-being in the workplace, promoting diversity, gender balance and equal opportunities for men and women and, lastly, strengthening professional development opportunities for everyone;
- the family and gender equality policy (see section 3.1.4.1) under which Kering pledges to maintain a satisfactory work-life balance for its employees and helps them through life's key moments, such as the "Baby Leave", which has replaced the global parenting policy since 2020 (see section 3.1.4.1);
- the global policy on domestic violence (2021), which aims to support and provide assistance to all employees experiencing domestic violence and choosing to speak up about their situation, by providing them specific leave, adapted working conditions, referral to specialized organizations and appropriate assistance, in accordance with ILO Convention 190 on violence and harassment;
- the European Agreement on social dialogue and well-being at work signed on June 7, 2023, with the EWC. The agreement, under the Human Resources department responsibility, was communicated to all employees of the Group. It contributed to well-being at work within Kering by giving employees a better understanding of its detailed dimensions and components (the right to disconnect, work-life balance, protection of their health) and encourages them to engage in social dialogue for improvements. Harnessing social dialogue to contribute to well-being at work through negotiations is one of the two principles of the Agreement signed by Kering with the EWC.

The Group Chief People Officer is responsible for implementing these policies.

The policies applicable within the Group also include the Human Rights Policy (see section 3.1.7.1), under the responsibility of the Legal department, putting respect for and protection of human rights, for all Group employees and all employees in the houses' supply chain, at the heart of Kering's ethical commitments and compliance program.

At the same time, Kering is committed to promoting a safe workplace and managing psychosocial risks and will review its 2019 health and safety policy by 2026. This new Health, Safety and Well-being at Work framework will integrate the management of exceptional events, such as pandemics and geopolitical conflicts, relay the well-being at work, health and safety initiatives implemented by the Group over the years, and incorporate the risk mapping carried out in 2024 as part of its duty of care as well as the ethics and compliance whistleblowing mechanism. Employees, people working at the Group's sites and visitors to its facilities will be covered by the revised framework.

### 3.1.3.2 Employee programs and initiatives

To ensure decent and respectful working conditions to all its employees, the Group and its houses implement proactive and progressive policies, backed up by various procedures and initiatives. In the agreement on social dialogue and well-being at work signed in 2023 with the European Works Council, Kering undertakes to maintain a healthy and safe environment conducive to employee productivity and engagement. In parallel, Kering respects the freedom of association and social dialogue, fostering honest and open collaboration between management and employees.

#### Social dialogue

Kering strives to ensure ongoing social dialogue through its employee representative bodies in France and at the European level, within the houses and the Group. Through these bodies, employee representatives are involved in the Group's business, commercial and social strategy, engage in conversations with the Executive Management team and receive training from external experts. Kering's negotiation approach to social dialogue and well-being in the workplace is central to the Group's Human resources strategy and facilitates the joint development of action plans with the various entities to complement local initiatives with support from management bodies.

**1. Kering European Works Council**

Established by the agreement of September 27, 2000, Kering European Works Council (EWC) provides a Europe-wide forum for information, consultation, exchange of views and dialogue. The EWC meets twice a year, in two- to three-day plenary sessions, with Group Management. The EWC has a restricted Committee, which meets several times per year and a CSR Commission, which met for the first time in 2023 and once in 2024.

The principal purpose of the EWC is to remain a key intermediary in the evolution of European social dialogue between countries with different realities and social practices. The EWC is a Group-wide, cross-border institution and operates alongside existing national employee representative bodies in accordance with specific prerogatives in terms of receiving information and being consulted. The discussions within the EWC enable employee representatives to acquire a better knowledge and understanding of the Group's organization, strategy and main challenges, as presented each year by Kering's Chairman and Chief Executive Officer and other Executive Management members.

Kering informs employee representatives about sustainability topics during plenary sessions or dedicated training, such as on the internal control and risk management procedure, the Sustainability Strategy, etc. The EWC members also complete an economic and social training course whenever their mandate is renewed and they receive assistance from experts throughout the year.

In 2023, Kering decided that all EWC members should receive the well-being at work training for managers – a course available in French, English and Italian. In 2024, an overview of the social EU Directives applicable to the Group was presented and discussed with EWC members.

Kering also organized a training session on the challenges of corporate and social responsibility and new areas for social dialogue in June 2024. This training shared the Group's ambitions for its European social dialogue related to the Group's Sustainability Strategy, detailed the CSRD Directive challenges and sustainability reporting standards. Finally, preparatory work for the Group's first sustainability statements was presented to the EWC's CSR Committee on December 5, 2024. Kering presented the first three new HR policies, written to reaffirm its crucial role in creating a safe and inclusive work environment, preserving craftsmanship and helping employees develop their skills.

This engagement, sharing and training designed for EWC members play a vital role in developing the skills of its members, who have been regularly involved in Kering's financial and economic challenges and social innovations for almost 25 years.

**2. Kering French Works Council**

Created in 1993 and renewed most recently in 2023, Kering's French Works Council is, like the EWC, an employee representative body under French law. Its members, who meet in a plenary session once a year, are informed of and discuss the Group's strategic priorities, economic and financial challenges, and Human resources policy. Each plenary session is preceded by a preparatory meeting between the members enabling them to seek expert advice and ask questions to Management prior to the annual plenary session. A two-day economic and social training was provided to members of the French Works Council in 2021, and will be renewed in 2025. In 2024, Kering signed an addendum with the French Works Council, which met twice under the new mandate.

#### Promotion of workplace safety, management of psychosocial risks and quality of life at work

Kering commits to offering its employees a healthy and fulfilling work environment, by placing quality of life at work, prevention of psychosocial risks and safety at the heart of its priorities. This structured commitment strengthened by house-led initiatives reflects a consistent determination to protect employee well-being and health, while promoting sustainable performance.

As indicated in section 3.1.3.1, Kering has been one of the first French groups to have a framework of actions and tools to prevent psychosocial risks since 2010, with the signing of the Charter of Commitments on Quality of Life at Work and Stress Prevention, drawn up with the EWC.

These commitments were reinforced by the Agreement signed in 2015 and by the 2023 Agreement on social dialogue and well-being at work, which aimed at integrating these principles into all Group entities.

Several concrete measures have been deployed by the Group and its houses to achieve these goals:

- a guide to well-being in the workplace, circulated to the houses, aims to raise employees' awareness of the challenges of quality of life at work, the definition of psychosocial risks and the six factors that can influence their health, performance and job satisfaction based on studies by the International Labour Organization (ILO) and the World Health Organization (WHO);
- a Group Charter on the right to disconnect was annexed to the Agreement signed with the EWC in 2023;
- specific training is delivered for managers in French, English and Italian to help them detect the signs of ill-being, conduct preventive conversations and allocate appropriate internal and external resources;

- Kering also pays close attention to its employees' work-life balance and carefully considers what they say in the Kering Employee Listening survey (see section 3.1.2) and in additional employee surveys carried out by the houses. This ongoing employee consultation helps make sure that appropriate measures are taken, such as providing access to psychological support and legal services in Europe, 24-hour hotlines in Asia and assistance platforms in the Middle East;
- in 2024, well-being at work was one of the main pillars of the Kering Employee Listening survey. Kering has reminded all its employees of the tools and actions in place to improve well-being at work, and shared the preventive material available to them;
- as part of its work-life balance policy, Kering offers a minimum of two weeks' paid leave per year, notably in Asia and the Americas, where paid leave is not covered by local labor law. The paid leave policy allows employees to "recharge their batteries" so they can better contribute to a positive and balanced work environment.

From a health and safety perspective, Kering maintains an ambitious zero work-related-injury policy by implementing regular audits and in-depth training. Houses such as Gucci and Bottega Veneta integrate international certification standards, including notably SA8000 and ISO45001, as the backbone for their programs.

**Employee engagement**

Developing employee engagement is one of Kering's strategic priorities in order to create a common culture and strengthen the sense of belonging to an integrated Group.

To encourage a culture of dialogue and listening, the Group promotes direct information to its employees through its internal communications platforms, the Kering Employee Listening survey, its annual opinion and engagement survey (see section 3.1.2), and voluntary initiatives. In addition, the houses may also conduct surveys at more local levels. Gucci conducts three "Pulse" surveys per year for all its employees (close to 22,000 people) on themes that can be acted upon by local managers in their areas, with an average response rate of over 80%.

Internal platforms give all employees a voice and access to Group information at any time, via any channel, spreading the word about key initiatives and internal communication campaigns. For example, since 2020, Kering has set up townhall discussions between Group executives and employees, or with external speakers. These sessions are broadcast on social media for all employees, with a replay available in four languages. Four town halls were held in 2024, primarily focusing on the Group's results and perspectives.

In addition, Kering takes pride in engaging with all its employees using the same tools to facilitate seamless communication across all regions. To this end, the Microsoft Viva Engage platform was launched as a pilot in 2024 in mainland China, and will be extended to all employees from January 2025.

The internal communication campaigns help to consolidate a shared history and common language, especially the Giving Back Program launched in 2021. Under this program, employees in France, Italy, and the United Kingdom can spend up to 21 hours per year of their working time on volunteering initiatives. In the Asia-Pacific region, the initiative has been adapted since 2023 into a Giving Back Week, during which employees can volunteer their time to help selected organizations with a special campaign theme.

### 3.1.3.3 Targets

Kering has committed to review its Health and Safety Policy and reformulate it as a Health, Safety and Well-being at Work framework (see section 3.1.3.1) to cover 100% of employees by the end of 2026.

This target was set by the Human Resources department.

## 3.1.4 Inclusion and diversity

### 3.1.4.1 Inclusion and diversity policies

Kering believes that inclusion and diversity are sources of creativity and innovation, and thus of economic performance. Innovation prospers in an environment where all voices are heard and everyone's contribution is appreciated, respected, and treated equally.

The Inclusion and Diversity (I&D) policy, formalized in 2024, is implemented by the Group's Human Resources department. This policy applies to all employees of Kering's houses and entities.

The I&D policy aims to foster a culture of inclusion at all levels of the organization while promoting an open-minded, diverse, and stimulating work environment. Kering pays close attention to diversity in employee profiles (culture, origin, sexual orientation, identity, gender identity, age, and disability), which it recognizes as a rewarding source of collective intelligence.

Within the Human Resources department, an Inclusion and diversity team defines the strategy and priority areas of engagement for the Group, guiding all the houses. The I&D policy is supported by a dedicated governance framework, including a regional focus, especially in the Americas and Asia-Pacific. Kering recognizes that every culture has its own unique features, challenges and opportunities to foster greater inclusion and change mindsets. This vision was embedded in the Agreement signed with the EWC in 2023, as promoting a culture of inclusion and diversity within Kering is a key component of well-being at work (see section 3.1.3.1). Since 2020, each of the Group's houses has set up an Inclusion and Diversity Committee, sponsored by a member of its management team. These committees are formed by representatives from different departments and regions. Their objective is to translate the Group's inclusion and diversity strategy into practice within their respective entities, adapting it to specific cultural and local contexts.

The Group's I&D policy covers the following key strategic dimensions:

1. Gender equality;
2. Equal opportunities and treatment, regardless of cultural and socioeconomic background, origin, gender identity and sexual orientation;
3. Inclusion of people with disability at work;
4. Multi-generational workforce.

Since 2017, Kering has also been committed to a wide-reaching parenting policy, supporting parents and promoting a culture of equality within the Group. The progressive parental leave policy, "Baby Leave", launched in 2020 and implemented by the Human resources department of the Group and its houses, allows all employees who are parents – regardless of gender, sexual orientation or family situation – to benefit from a minimum of 14 weeks of paid parental leave when welcoming a new child in the best possible conditions (maternity, paternity, adoption, partner). This policy also contributes to combating gender stereotypes encountered by women when they apply for a new job, aim for promotion or seek to develop their career.

### 3.1.4.2 Inclusion and diversity programs and actions

The Group's inclusion and diversity programs and actions are aligned with the principles of the Group's Inclusion and Diversity policy and focus on the strategic diversity dimensions for Kering.

Kering's commitment to inclusion and diversity is recognized globally. In 2024, the Group ranked 10th worldwide and 2nd in France in the FTSE Russell Diversity and Inclusion index.

#### Implementing a culture of gender equality

A particular focus is placed on gender equality at work. In 2010, Kering was one of the first signatories of the Women's Empowerment Principles, developed by UN Women and the United Nations Global Compact. These principles provide guidelines to promote the presence and progression of women in the company and, more generally, in society.

In 2024, women accounted for 58% of the Group's managers, 63% of the total workforce (63% in 2023, 62.9% in 2022, 63.2% in 2021), 30% of its tech workforce, 46% of Executive Committee members and 55% of its Directors (excluding Directors representing employees as of December 31, 2024), making Kering one of the CAC 40 companies with the highest proportion of women in senior management positions.

The Group's action plan to promote gender equality focuses on three key areas:

1. **Championing a culture of equality within the Group through awareness-raising actions and dedicated development programs**

- embedding this culture into HR and management processes (recruitment, talent review, remuneration, etc.). In 2023, as part of the Kering Employee Listening survey, the Group adopted the Gender Listening Index to better understand the expectations and views of female employees, and to implement concrete actions aimed at improving the employee experience within the Group;
- developing skills through dedicated programs, such as leadership training and mentoring to support talented women. For the past eight years, Kering has partnered with the EVE program, which enables 20 employees from various Group houses and countries to attend seminars in Europe and Asia;
- accelerating the deployment of the Women in Luxury (WIL) internal network to promote gender equality.

The WIL network's action framework includes organizing conferences throughout the year, networking sessions with the houses and regions, and communication campaigns. The Group has also held webinars on topics of interest, such as parenthood, communication and inclusion. Kering Corporate has extended WIL network to cover 11 locations in various regions, including Hong Kong SAR, mainland China, Japan, South Korea, France, Italy, the United Kingdom, the United Arab Emirates, the United States and Mexico. Several initiatives took place throughout Europe, the Middle East, Asia-Pacific and the Americas, such as conferences and workshops on career development, resilience and financial empowerment. In 2024, Boucheron also launched the Boucheron Women in Luxury mentorship program. This program includes career guidance, confidence-building, networking, skills development and advice on work-life balance.

Kering was one of the leading companies in the France 2024 gender equality index, with a consolidated score of 89 points out of 100 for all of its Corporate entities and houses in France.

Gucci obtained the Italian Gender Equality certification in 2023, introduced as part of the country's National Recovery and Resilience Plan (*Piano Nazionale di Ripresa e Resilienza*), following an audit by Bureau Veritas. This certification is granted on the basis of an assessment of 31 indicators spanning six themes: culture and strategy, governance, human resources management process, career opportunities for women, wage equality and attention paid to work-life balance. Gucci's commitment is reflected by the adoption of a three-year strategic plan to promote concrete initiatives supporting gender equality. In 2024, Bureau Veritas evaluated Gucci's progress and renewed the certification for its second year. Lastly, in 2024, the House also won the prestigious "Observatory Women and Fashion Award" in the "Empowerment: Cultural Policies for Female Career Development" category.

2. **Fostering work-life balance** through a Group-wide framework for all employees that promotes well-being at work and equality for all (see section 3.1.3.1).

3. **Developing initiatives for inclusive and exemplary parental support**

The houses implement the Group's Baby Leave policy (see section 3.1.4.1) and also develop complementary initiatives. Gucci, for example, offers a comprehensive program of parenting support, including the "Moments that Matter" e-module that guides managers from the announcement of a new baby by a team member until their return from parental leave. Likewise, the "We are Back" program in Italy supports new parents in their return to work, with coaching and group webinars. Balenciaga's "Baby Leave Come Back" program has three stages, supporting employees before, during and after their parental leave.

#### Promoting an inclusive culture with a direct impact on employees

Kering endeavors to provide a working environment free from any form of discrimination, harassment or violence and to promote an inclusive culture with a direct impact on employees.

**1. Eliminating discrimination, harassment, and violence**

In this regard, Kering and its houses encourage all employees to report any instances of inappropriate behavior, which are subject to disciplinary sanctions and, in many countries, criminal proceedings. Kering and its houses ensure that their employees are perfectly aware of their rights in this area by providing them with internal policies such as the Code of Ethics, the Human Rights Policy and the Group's ethics and compliance whistleblowing mechanism, as well as organizing awareness-raising and training sessions.

The houses also develop additional initiatives, aligned with their DNA. Alexander McQueen, for instance, has established a code defining the principles of behavior and collaboration expected within the House. The code explicitly mentions harassment, discrimination and other forms of unacceptable and unlawful behavior in the workplace. Likewise, Balenciaga introduced the "Balenciaga Brand Behaviors", a set of values that include inclusion and the fight against discrimination.

**2. Raising employees' awareness and developing an inclusive culture**

Kering and its houses organize conferences with external personalities and experts, as well as with internal directors, and provide employees with online training courses on inclusion and diversity.

Throughout the year, awareness campaigns are deployed around international days such as International Women's Day, Pride Month, Diversity Month and the International Day of People with Disabilities.

To promote an inclusive culture for LGBTQIA+ individuals, the Group signed up in 2019 to the "UN Standards of Conduct for Business on Tackling Discrimination against LGBTI people". Since 2019, Kering has established a global internal network, "ALL", which conducts awareness-raising and networking activities. In 2024, employees of the Group and its houses supported and celebrated the LGBTQIA+ community by participating in Pride marches in several cities, including Milan, London, New York, Mexico City and Tokyo. The Group has also run an internal communication campaign for all its employees.

In 2024, Kering and its houses continued to work hand-in-hand to make art a means to showcase the richness of diversity and the power of inclusion:

- in collaboration with Leadership CQ, the Group developed the "The Canvas: Creators of Inclusion" training course. This three-hour immersive workshop aims to: implement inclusive strategies on a daily basis, identify unconscious biases that can lead to situations of accidental exclusion and become an agent of change for an ever more inclusive workplace culture. Since February 2024, training sessions have been organized on a regular basis in Paris and Milan for the Group's employees. An adaptation of the training for the Asia Pacific region has also been created, and two sessions were held in Singapore in August 2024. In addition, "train the trainers" sessions were held to train employees to facilitate the workshop. This program, designed to train an increasing number of employees, also aims to harness the talents of employees. Other sessions have been scheduled from January 2025;
- Bottega Veneta continued in 2024 the "I&D via Arts" project, a global initiative aimed at promoting diversity and multicultural awareness through art. The members of the House's inclusion and diversity committee organized a series of events for 400 employees at 12 cultural venues and institutions around the world. This initiative will be renewed in 2025.

### Promoting professional inclusion of people with disabilities

As of December 31, 2024, the Group had 780 (1.7%) workers with disabilities (coverage rate of 84.9% excluding the United Kingdom and the United States). Kering reaffirmed its commitment to the inclusion of people with disabilities with the European Empowering Talent agreement signed in 2015.

In 2024, Kering Corporate France signed the first officially approved disability agreement with the CFDT and CFE/CGC union organizations. It is based on five fundamental priorities defining concrete measures aimed at enhancing workplace integration, promoting job retention, supporting caregivers and raising awareness on key issues.

This pioneering agreement within the Group is intended for eligible employees within Kering Corporate France and falls under the responsibility of the Human resources department. It represents the first step towards the creation of a Group framework at the European level.

The houses have also implemented various awareness-raising initiatives and engaged with local non-profits on this topic:

- awareness-raising workshops and training sessions were organized by Boucheron, Balenciaga and Qeelin, among others;
- duo Day: Kering Corporate, Balenciaga and Saint Laurent gave their employees the opportunity to take part in the Duo Day initiative, allowing adults and young people from Local Units for Educational Inclusion (ULIS) in France to experience a day in the life of a Group employee;
- Gucci launched an internal communication campaign on disability to raise awareness about different forms of disability. Gucci Americas and Gucci Corporate Italy also give their employees the opportunity to participate in resource groups focused on disability, called "Guccibility" and "Accessibility". In 2024, the House was recognized as a Best Place to Work for Disability Inclusion by the Disability Equality Index® for the third consecutive year. It scored 100 out of 100 and extended this recognition beyond North America to include Brazil and Canada;
- in the Asia-Pacific region, Kering Corporate held over 20 volunteering activities to support local organizations. More than 380 employees across houses in the five Asia Pacific countries participated.

Lastly, the Group's houses in France and Italy continue to outsource work to the protected sector to promote the employment of people with disabilities. Special service providers employing workers with disabilities are called on for such services as printing, data entry, archiving, replying to unsolicited job applications, catering, preparing mailshots, gift packaging during the holiday season, and landscaping.

### Working with partners to promote equal opportunities and intergenerational diversity

In 2024, the Group signed a partnership with the 0-93. Lab, a non-profit cultural initiative aimed at making the practice of fashion design and visual arts more accessible to young people living in Aulnay-sous-Bois and neighboring cities. The Group and the association completed a six-month mentorship program in January 2025 encouraging conversations and experience-sharing between the Group's senior executives and young creative. In 2025, thanks to Kering's support, the association will open a space designed to introduce young generations to careers in fashion, prepare them to join art and design schools, and support them in their personal and professional creative projects. This venue will also host a workshop program connecting Balenciaga's creative teams with young talents of 0-93. Lab.

For the past four years, Balenciaga has provided its support to Share Africa – Africa Fashion Up, an action and project platform intended to promote the emergence of a young, creative, innovative and eco-friendly Africa by encouraging the continent's entrepreneurs and creative talent. Since 2021, the House has also introduced "The Plant" program in Italy to support the recruitment process of its plant in Tuscany. The program consists of a training center for selected profiles to learn technical skills, followed by a selection process. This program emphasizes intergenerational collaboration and equal opportunities by promoting the hiring of people with refugee status. To date, 110 people have been employed under the program.

Kering Corporate France signed the GEPP (*Gestion des Emplois et des Parcours Professionnels*) agreement in 2022, setting out measures to support young people, employees over 50 and intergenerational cooperation. This agreement, implemented by and under the responsibility of the Human resources department, covers eligible employees in France. Kering Corporate is also working with non-profits *Télémaque* and *Énergie Jeunes* to make concrete progress in terms of equal opportunities.

Furthermore, Alexander McQueen has partnered with The Outsiders Perspective (TOP) initiative, sponsored by the British Fashion Council, which aims to bring experienced professionals of color into the fashion industry in non-design roles, such as legal, marketing, finance, and human resources.

Kering Americas has expanded its BOLD mentoring program to include diverse college students across the United States.

Lastly, other initiatives are implemented to address intergenerational diversity directly related to the preservation of know-how and transfer of craftsmanship (see section 3.1.6).

### 3.1.4.3 Targets

**Gender equality**

The Group has set a target of continuing to work toward gender parity and pay equity at all levels of the Group (see section 3.1.5.3).

The above target was set by the Human Resources department.

## 3.1.5 Talent management and skills development

### 3.1.5.1 Talent management and skills development management policy and procedures

**1. Talent management and skills development policy**

This policy is intended for all Group employees and other stakeholders involved by talent management and skills development. It is based on four main objectives:

- **Talent attraction and diversit**y: Kering is committed to fair and inclusive recruitment, based on experience and skills aiming for gender parity and increasing the representation of under-represented groups. The Group also promotes diversity and inclusion by ensuring fair and transparent recruitment and remuneration practices;
- **Development and internal mobility:** the policy actively promotes internal mobility and skills development in order to support the career development of its employees throughout the Group. To this end, training and development programs are offered, incorporating key processes such as annual performance reviews, talent assessments and the drawing up of personalized development plans. Kering promotes career development by encouraging role changes;
- **Retention and well-being**: Kering is committed to developing and retaining its talent by offering a stimulating work environment based on the recognition of performance and well-being of employees. The Group implements initiatives to maintain a work-life balance, while encouraging engagement with community activities;
- **Continuity and succession planning:** a structured talent review process identifies key talent and prepares them for strategic roles, ensuring Group's operations continuity.

This policy was formalized in 2024 by Kering's Human resources department, in collaboration with the Compliance department, and is based on the Group's robust tools. In addition to supporting Kering's strategic objectives in terms of sustainability, diversity and ethics, this policy establishes a structured framework for talent development and the Group's sustainable performance. In parallel, discussions are held annually with the European Works Council regarding training and professional development initiatives. In addition, an annual employee survey assesses their commitment and gathers their feedback (see section 3.1.2).

**2. 2023 European agreement on social dialogue and well-being** detailed under section 3.1.3.1.

### 3.1.5.2 Actions for talent management and skills development

**Managing and supporting talent, fostering mobility and professional development within the Group**

**Developing a culture of shared performance through a common process and tool**

Every year, all the Group's eligible employees have a People Performance and Development Annual Review with their manager. It aims to assess their performance against predefined goals and the employee's development needs. These reviews, which take place between December and March, strengthen the Group's dynamic approach of continuous performance assessment, alongside regular check-in conversations.

It is during the summary of these interviews that the talents listed in the Talent Reviews are confirmed or reconfirmed. These reviews are used to share, at Group's level, the evolving talent by function, as well as their development and career paths. Members of Kering's Executive Committee play an active part in this process and attend summary meetings for each function. Since 2021, the identification process has been expanded to include retail in order to support talent development plans and anticipate the organization's needs. These Talent Reviews feed into a shared "reservoir" of pre-identified in-house talents and prepare succession plans for key positions (i.e. members of House Management Committees). This work is complemented by the identification of external talents, through continuous monitoring.

One employee, who now reports to the Deputy CEO, in charge of Brand Development, is dedicated to identifying and monitoring creative talent within the Group's houses. These succession plans are submitted to the Board of Directors' Nomination Committee. The internal and external talent identification processes underpin effective succession plans for key roles, thus addressing potential vacancy situations in these roles. In addition, the teams collective expertise within each house, especially the creative studios, remains the primary guarantee of business continuity and continued execution of the Group's strategy, notably during transition periods. Gender balance analysis is always included in the talent review and succession planning processes.

**Promoting mobility and careers within the Group and its houses**

Internal mobility is a major lever for developing skills, offering career prospects and giving everyone the opportunity to grow within the Group. Under the Group's internal mobility framework, employees can apply for a new opportunity after 18 months within their current position. HR community meetings are organized to facilitate ongoing dialogue on recruitment needs and available people, in addition to dedicated training and tools for the entire community. Finally, a dedicated communication campaign on the internal social network supports the program. In 2024, more than 1,400 internal mobilities took place, including employees who moved between different houses, to a different country or even between different businesses.

The Group has developed an advanced, AI-powered technology platform to promote internal mobility and the professional development. This platform, called Talent Match, enables employees to explore and plan their career development. It matches their aspirations and skills to current and future opportunities within the organization. In 2024, the initiative was rolled out to 2,600 employees in the Finance and Human resources functions across all the countries where the Group operates (excluding mainland China). Following positive results of this pilot project, Kering plans to gradually extend the initiative to all employees worldwide.

## Creating fresh impetus in employee training

In 2024, Kering allocated a budget of over €38 million to employee training, representing 1.26% of the Group's total payroll. During the year, 621,807 hours of training (excluding safety training) were provided. 50,076 employees (including leavers) took at least one training course.

As mentioned in section 3.1.2, the Group offers a comprehensive range of training tailored to employees' situations.

### Regional training for employees and managers provided by Kering

- in Europe, 576 employees attended managerial training courses in French, English and Italian;
- in Asia-Pacific region, face-to-face programs are offered in 9 languages, enabling over 690 employees to receive training;
- in the Americas, the range of courses has grown, with 11 sessions being organized, training 170 employees.

### Dedicated training for high-potential employees and executives

Development experiences for high-potential employees and executives bring together people from all regions and houses. The aim is to prepare them for tomorrow's challenges, anticipate future changes, and improve their leadership skills. This year, 345 employees took part in these Group programs.

### Functional academies tailored to business needs

To meet specific challenges faced by certain functions, Kering has developed academies for specific functions (Finance, Supply chain, Sustainability, Tech, Human resources, etc.) for the development and transfer of key skills. As a result, the Human resources Academy has developed a number of formats, with more than 2,300 participants in total:

- new digital programs covering the use of data tools and data management;
- discussion sessions with HR Directors from the various houses and training to help local HR business partners on topics such as career support and performance (286 participants);
- review of all content to incorporate the skills-based development approach (200 ambassadors trained);
- HR employee training regarding the impact of artificial intelligence on their jobs and efficiency levers;
- Kering Elevate, an event for HR function communities (120 participants) to share the Group's HR strategy, co-create the Talent-first approach and its connection with skills, as well as the future of HR, taking account of the impact of AI on the various business lines.

### Training initiatives led by the houses

Each house is responsible for collecting training needs and meeting them locally, alongside the initiatives developed by the Group. There are over 2,200 training initiatives, with the major categories focusing on retail training for employees, especially product and clienteling training (1,430), technical training notably in production (100), functional training in areas such as finance or logistics (140). Broader training courses also exist covering managerial skills (77), soft skills (108) and tools (50). These initiatives help train employees on an ongoing basis, ensuring they are properly equipped and continuously refreshing their skills.

### Supporting sustainable changes and the just transition

Each house supports its employees facing organizational changes, such as during the integration of employees from newly acquired entities. Efforts are made by every house and in every country to protect jobs, and voluntary mobility measures are prioritized:

- in France, monthly meetings coordinating social development are held to deliver appropriate support. It is a body gathering HR managers from the houses led by Kering's Human resources department. They come together to discuss organizational plans and their HR implications, as well as to propose redeployment solutions. Its goal is also to support HR managers whenever an organizational change is likely to have an impact on jobs;
- the European Works Council is also informed of the Group's plans and any organizational changes resulting from them at its two annual plenary sessions, extraordinary meetings of the Committees, when appropriate, and meetings of its restricted Committee;
- the French Works Council is also informed every year of the Group's plans for organizational change.

In addition, Kering has made commitments to support the ecological transition through its Climate Strategy, its Biodiversity Strategy and its Circularity Ambition. Achievement of these targets must go hand in hand with a positive social impact and fully consider the socioeconomic imperatives of a just transition, and this is reflected in the initiatives implemented by the Group:

- preserving and passing on the critical know-how for the luxury industry, internally and to artisans in the Group's value chain (see section 3.1.6) helps to ensure a just transition and to preserve cultural heritage and regional craft techniques;
- with the accelerating transformation of the Group's business model toward a circular approach, Kering and its houses are adapting their employees' and their suppliers' skill sets to these new models and creating new jobs (e.g., creation of repair centers, new second-hand activities, new areas of expertise). For example, certain new materials are processed in the Group's tanneries, with employees learning new skills in line to address the challenges posed by the ecological transition, while capitalizing on the expertise and know-how of these craft industries within the Group's model;
- training plays a key role in raising awareness of the ecological challenges and planning the necessary changes in each business area. The Group and its houses are ramping up their efforts to provide training and raise awareness about sustainability issues, in particular with sales, design and merchandizing teams, through a series of actions and communications, such as the "Climate Fresk" and "2tonnes" workshops.

## Establishing a long-term hiring policy through strategic international partnerships

### Graduate programs

The Group organizes several training programs for graduates including rotations across various positions to discover the various aspects of the luxury industry. These programs also include a specific training program to understand the key challenges in the luxury industry and build their careers. More than 60 talented young people benefit from these inclusive programs, which foster the Group's cultural, socioeconomic and generational diversity, thereby strengthening its employer brand.

**Kering Keys - Retail China**

21-month program including a series of rotations within stores of the participating Houses. The program began in January 2022, with 13 graduates selected from more than 11,000 applicants.

**Kering Keys - Supply Chain**

24-month program that allows young engineering graduates to prepare for the jobs of the future in supply chain and logistics, while also offering leadership training. Launched in 2021, the program has 17 graduates.

**Kering Eyewear - Eye For Talent**

Launched in 2022, Eye for Talent is Kering Eyewear's first graduate program. The 24-month program offers three rotations in different markets (Italy, United States, and Denmark), including a rotation within Lindberg.

**Kering Keys – Retail France**

First graduate program in France dedicated to luxury retail. Jointly developed with the nonprofit *Atout Jeunes Universités*, the program combines learning about three positions in retail and 24 months of bespoke training. The first program began in September 2023, with a cohort of 18 young talents.

**Kering Keys – Management**

18-month program giving young graduates who speak an Asian language the opportunity to gain experience in three areas at Kering's headquarters in positions of responsibility, to acquire in-depth knowledge of the Group and the sector. Launched in 2023, the first program took on eight young talents selected from more than 1,200 applicants.

**Gucci Grade**

This program dedicated to retail profiles includes several rotations within various departments at Gucci (sales, merchandizing, and customer service), including in-store experience. It was extended in 2022 to cover supply chain and operations.

### Forging strategic partnerships

Furthermore, Kering pursues its ambition to forge international partnerships with prestigious business and design schools around the world:

**Fashion Values program with the Center for Sustainable Fashion (CSF), part of the London College of Fashion (LCF)**

This 12-month program combines theory and practical experience in the form of a hackathon. An end-of-year prize is awarded on the themes of nature, society, economy and environment.
There were more than 7,400 participants as of January 2023.

**Sustainability Chair created with the *Institut Français de la Mode* (IFM)**

Each year, IFM educates around 1,500 students in sustainability concepts as part of a mandatory course. During the 2023-2024 academic year, Kering dedicated 50 hours of support within the Sustainable Development certificate program. Additionally, 24 hours of courses, including 6 hours taught by Balenciaga, were offered in the BSc, MSc, MS, and MA programs. Thirty students are pursuing this certificate for 2024-2025.

**Kering Certificate of Influential Luxury in partnership with HEC Paris**

This program aims to train and identify high-potential young talents who could join the Group. Fifty students were trained in 2024.

The Group's houses have also established local partnerships and developed training programs dedicated to craftsmanship within centers of excellence, to ensure the preservation and promotion of know-how at the heart of the Group's professions. They are presented in section 3.1.6.

### Recruiting the best talent in a fair and inclusive manner

Kering uses the most effective tools and social media platforms to recruit the best profiles. The Group's houses keep investing to offer applicants the best experiences through innovative and inclusive solutions, such as the launch of the MyBoucheron onboarding platform and the Talent Match pilot recruitment module. This module uses artificial intelligence and data to facilitate the identification of the candidates with the most suitable profile for each job by recruitment teams. In so doing, it helps broaden the pool to passive and internal applicants, providing greater opportunities for Kering's employees. The pilot project was launched in Italy, the United States and Hong Kong SAR, and 130 recruiters are granted access to date.

In 2023, Kering launched the Dare to Refer program, offering a referral bonus to employees when they refer someone who is successfully hired. Close to 2,700 applicants were referred in 2024, with a 16% recruitment rate.

Accordingly, the Group has pledged to adopt fair and equitable hiring practices to build a diversified workforce and foster an inclusive culture. The talent acquisition process actively seeks to increase diversity at every level of the organization, to achieve gender parity at every tier, including management positions, and to boost the representation of underrepresented groups. Dedicated training for recruiters, managers and HR referents has been available since 2024 and aims to boost equity at each stage of the recruitment process by focusing on:

- a skills-based approach throughout the hiring process;
- compliance with data confidentiality policies protecting applicants;
- safeguards ensuring a selection process that limits prejudice and is based on applicants' capabilities, potential and alignment with Kering's values.

The same online training program will be adapted to hiring managers and finalized in 2025.

The houses have also implemented comprehensive inclusive recruitment strategies, such as Balenciaga's Hiring Pact, which takes a 360° approach to help achieve real-world progress in the inclusion and diversity arena.

## Remuneration and employee benefits

### Performance-related remuneration

Remuneration should be strongly conditioned by the employee's individual contribution and the collective performance. This link with performance must exist for all the components of the package, i.e. for both the base salary and the variable elements (i.e. bonus and long-term incentives). Indeed, 90% of the Group's employees receive a fixed salary and a variable pay component that is subject to the achievement of individual and/or collective objectives. The individual portion of variable pay is determined and managed as part of the performance management process. Each employee's contribution to their team's results is assessed by their direct manager in accordance with the achievement of objectives and their behavior throughout the year.

In the same view of rewarding the team performance and everyone's contribution to Kering's growth and success, the Group strives to set up profit sharing plans in countries where this is made possible under the local legislation. In France, nearly all employees benefit from a profit-sharing mechanism.

### Fair and competitive remuneration

Major efforts are made to ensure that fixed salaries are both fair internally and competitive within the market. They are reviewed annually, based on proposals made by direct managers. Fixed base salary increases are awarded based on the current level of salary in comparison with peers and/or the external market, factoring in performance as observed over time and the potential of the person for further development in the Group.

The job referential (known as the "Job Catalog") implemented by the Group and used by all houses allows to characterize all positions both in terms of area of expertise and impact on the business. This is particularly helpful to conduct internal and external competitiveness analyses as well as when determining the appropriate level of bonus, long-term incentive or benefits in kind.

Individual career paths within the Group and corresponding impact on individual remuneration are managed without consideration of gender or age.

In 2021, the Group developed the Kering Parity Index to allow houses to evaluate and monitor their parity performance over time. This index consists of four individually weighted indicators: women representation in the 300 most senior executive positions, gender pay gap by level of responsibility, comparative opportunities for men and women to get a promotion or job development, and comparative opportunities for men and women to earn a pay rise. It is calculated at least every two years for each house and at consolidated Group level in order to identify areas for improvement requiring specific remediation measures and to monitor evolution over time.

### *Universal Fair Pay* certification

In 2023, the Group went a step further in its analysis of gender pay gaps by completing a dedicated study, in partnership with a specialized and independent consulting firm. This initiative was carried out globally across the Group, in all houses and all countries. The objective was to identify possible gender pay gaps that cannot be explained by factors that legitimately influence pay (such as, for example, the employee's level of experience, seniority, the professional field, the work location, etc.).

The study was carried out a second time in 2024, revealing an unexplained gender pay gap of 1.4% in favor of men, which was lower than in 2023. That result confirms the effectiveness of the remediation actions which were undertaken. Based on the latest analysis and the action plan proposed, the Fair Pay Innovation Lab, an independent organization whose aim is fair pay for all, undertook a comprehensive review and awarded Kering and each of our houses with their Universal Fair Pay certification for the second consecutive year. In addition, Gucci's Gender Equality certification was renewed by the Bureau Veritas in 2024 (see section 3.1.4.3).

### Remuneration and social commitment

Since 2021, Kering has carried out a global study in each of the countries in which it operates to define and update the Kering standards to guarantee a decent standard of living for all employees and their families. The definition of a decent standard of living includes: food, water, housing, education, healthcare and other essential needs. In order to ensure that these thresholds are reliable and legitimate, the Group initially drew on the Fair Wage Network methodology, which collects and analyzes information for different countries on a standardized basis. New research that becomes available in each country is systematically considered by the organization. Kering has also become a strategic partner of the WageIndicator Foundation, which published in 2024 the first authoritative publicly available living wage database. To increase the robustness of the decent standard of living indicators in each country, Kering has included the thresholds published by WageIndicator in its studies.

Every year the Group updates the comparison between actual wages and Kering standards to reflect the latest trends in the cost of living across all the countries. Each house is informed of any shortfalls so that they can take the necessary action. Kering's commitment to guaranteeing a decent standard of living for each employee and their family is embodied in the agreement signed with the European Works Council in 2023.

In 2022, Kering launched KeringForYou, its first employee share ownership plan, to ensure that the value and wealth created by and with the Group's employees are fairly shared. The program was offered to Group employees based in France, Italy, the United Kingdom, the United States, mainland China, Hong Kong SAR, Japan and South Korea, representing 80% of Kering's total workforce.

### Executive pay

Within Kering's senior management, the remuneration of the top 300 people is closely monitored by the Group's Human Resources department, with the aim of ensuring internal consistency and competitiveness versus the industry practice.

The remuneration structure for senior executives (respective portion allocated to the base pay and the short-and long-term variable remuneration) is defined by the Group. It varies according to the level of responsibility of the role. The short-term variable remuneration (annual bonus) policy aims to reward senior executives for meeting objectives – in part financial and in part non-financial – set in line with the strategy of the Group and the houses. Financial performance is assessed on the basis of two indicators, dedicated to the profitability (recurring operating income) and the free cash flow generated by the Group and the houses. The long-term incentive policy meets two objectives: rewarding executive teams for both their performance over time and their loyalty to the Group.

Since 2020, all executives have had performance shares, which now represent the main element of Kering's long-term incentive schemes. The number of shares granted to each executive varies according to their level of responsibility in the organization. The number of shares delivered at the end of the vesting period depends on Kering's share price performance compared with a panel of luxury goods stocks.

For executives working within a Group house, Monetary Units are also granted in the same proportion as the Kering performance shares. These are linked to the financial valuation of the house for which they work. These monetary units were launched in 2013, and their unit value fluctuates over time in line with the increase in the house's value. At the end of a three-year vesting period starting from the year that the monetary units were granted, executives can cash-in their monetary units during two subsequent years.

#### Employee benefits within the Group

In addition to the monetary remuneration, Kering has always placed great importance on social protection, providing its employees with healthcare, disability/life coverage and pension benefits, as well as ensuring their well-being more generally. All employees are therefore covered by social protection in accordance with legal provisions under the various plans in place at the Group's houses. For some years, the houses have offered supplementary benefit plans in line with best practice in each country. These plans are changing regularly to meet in an optimum manner the employees' needs. France is a good example of this: savings, pensions, healthcare and benefits were fully overhauled in 2022 to offer employees more suitable coverage. Beyond basic coverage, plans often include benefits relating to well-being, sports, leisure activities, transportation, and family support. As far as possible, these benefits are structured flexibly and can be tailored to meet the needs of each individual. This was the guiding spirit behind the introduction in 2020 of the Flex Benefits program for Gucci's employees in mainland China.

### 3.1.5.3 Targets and performance indicators

The targets below were set by the Human resources department.

#### Internal mobility

Kering plans to continue increasing its internal mobility rate and is targeting an increase from 6% in 2024 to 7.5% in 2026.

At Kering, internal mobility is defined as follows: number of employees who have changed job (vertically or horizontally) divided by the total number of employees eligible for internal mobility. Eligibility for internal mobility is determined by a minimum length of service in the current position and an acceptable performance record.

In addition, the Group has set a target to deploy the Talent Match platform with an adoption rate of 55% for relevant employees (all functions excluding Retail, Design and Industrial operations) by year-end 2026. The pilot adoption rate for the HR and Finance functions (excluding mainland China) is currently at 82% (adoption rate is the number of employees who have created their own profile on the platform).

#### Recruitment

The *Recruiting@Kering* online training has been made available for all HR employees involved in hiring activities since October 2024, and the goal is for 65% of them to be certified by year-end 2025.

The same online training program will be adapted to hiring managers involved in their teams' recruitment activities and is due to be finalized in 2025. It will be accessible to all Kering team managers, and the goal is to train 40% of team managers during 2025 and 2026.

#### Training

In 2025, the goal is to roll out the new managerial pathway in the three regions. This training is made available to all managers, and each house has access to the catalogue to sign them up for one or more courses.

As mentioned in section 3.1.2, the Group's Training and Development department will focus on evaluating the impact of its programs. As a result, the plan is to launch a survey in March 2025 assessing all employees' views of the training and development initiatives.

#### Remuneration

The Group has set 2 remuneration-related targets:

- a maximum adjusted pay gap between men and women of 1.5% measured on a global basis;
- 100% of Kering employees paid above the adequate wage.

In 2024, the adjusted pay gap analysis showed a 1.4% gap in favor of men. Kering has pledged to continue taking the necessary actions to narrow the gap as far as possible (see the Universal Fair Pay certification for the scope and methodology).

In 2024, no Kering employees were paid less than the adequate wage according to the ESRS definition.

## 3.1.6 Preservation of expertise and craftsmanship

### 3.1.6.1 Preservation of expertise and craftsmanship policies and procedures

**1. Craftsmanship preservation policy**

This policy is intended for all employees, as well as suppliers and other stakeholders (craftspeople) affected by the preservation of craftsmanship. This document aims to preserve, promote and enhance the know-how used by Kering and its houses. By maintaining high standards of craftsmanship, it aims to protect cultural heritage, support local communities and preserve the quality and exclusivity of the luxury products made by the Group's houses. This ensures the unique skills and expertise possessed by artisans can be passed on from generation to generation, protecting the authenticity and quality of the houses' products. Kering and its houses strive to develop long-lasting relationships with their suppliers, in a spirit of trust and continuous collaboration (see section 4.2).

The policy, which was formalized in 2024, is implemented by the Human resources department together with the Compliance department and is based on the Group's best practices. In partnership with the houses, it aims to ensure that regular processes and audits are in place to preserve craftsmanship.

**2. Code of Ethics and Suppliers' Charter and Sustainability Principles**

Kering requires its suppliers to comply with its Sustainability Principles and its Suppliers' Charter. By signing up, suppliers and subcontractors commit not to contribute to the abandonment of artisan traditions and the communities supporting them.

**3. Human Rights policy**

The Human Rights policy restates the Group's commitment to conserving traditional expertise and preserve local communities' cultural heritage. As part of this drive, the Group helps to create jobs in the regions where expertise has emerged, engages in collaborations and provides its financial support to certain entities with a view to keeping this cultural heritage alive.

### 3.1.6.2 Actions to preserve expertise and craftsmanship

Given the diversity of expertise within the houses, the scope of actions for the preservation of craftsmanship and their application is primarily managed by the houses. They invest in preserving craftsmanship and enhancing the quality of products while promoting creativity in all their product segments, beyond raw materials used in collections. They are built on the following pillars and comply with a Group framework:

- archives of techniques and expertise specific to each house;
- external partnerships with schools and institutions;
- training for artisans;
- supplier audits (see section 3.2.1.3) and support (see section 4.2);
- collaboration with local artisan communities.

#### Archives and documentation of know-how and techniques

Archiving and documentation play an essential role in preserving heritage, know-how and creativity. These practices allow the recording of artisanal techniques, material choices, and creation processes in a database, thus ensuring the safeguarding of traditions that form the houses' identity. By conserving rich and accessible archives, Kering honors the heritage of craftsmanship and inspires future creations, maintaining a continuous dialogue between the know-how of the past and today's innovations.

For example, Balenciaga's Archives unit – which holds more than 70,000 works – is dedicated to the preservation, conservation, transmission and enrichment of Balenciaga's collections. It is a place where the creative teams, along with museum curators and scientists, come to study and conduct research. It has implemented various policies (photographic, acquisitions, restorations) in order to promote the works of art of Cristobal Balenciaga and his contemporaries.

Lastly, Qeelin began in 2024 to systematically photo-archive its fine jewelry pieces to preserve the house's history.

#### Strategic partnerships with universities and international schools

The Group emphasizes expertise sharing and international transfers under a policy of academic partnerships with design and business schools and university programs. The goal is to share specific expertise to the luxury industry, to raise awareness and to train designers and future fashion industry leaders on major social and environmental challenges. Details of the main partnerships are provided in section 3.1.5.2.

Scholarships and grants play a key role in supporting future talent in the fashion and luxury jewelry world. The Group and its houses, deeply committed to supporting the next generation and non-profit organizations, invest in scholarship programs to encourage and propel promising high-potential individuals. The Gucci Changemakers North America program is a prime example of this commitment. It offers undergraduate students an opportunity to chart their own path in the design and fashion industry. These initiatives embody the Group's commitment to supporting the next generation and building a future in which innovation and excellent craftsmanship continue to shine.

#### Skills transfer, training and learning

To maintain and promote expertise within their business activities, certain houses have developed dedicated training programs and professional schools with the support of local partnerships and artisan federations. This professional framework can help to promote very demanding and unique skills and support long-term employment in the regions where these crafts were first developed.

The programs and training courses may originate from schools or institutions set up by the houses:

- The Gucci ArtLab launched in 2018 focuses on two key areas for Gucci's core business: product design and production processes for leather goods and shoes (*Scuola dei Mestieri*), as well as special manufacturing operations in these categories (*Scuola di Fabbrica*). Since 2018, the *Scuola dei Mestieri* has had 48 participants and the *Scuola di Fabbrica* 286. Through its collaboration with the *Instituto Secoli de Novara* specialized in couture (30 participants in 2024), the house has also launched a school for couture prototyping. This one-year technical module was created to attract and train young people in luxury apparel prototyping and to preserve the priceless Made in Italy expertise;
- The Accademia Labor et Ingenium was launched in 2023 by Bottega Veneta. This school allows new Bottega Veneta employees and students to learn from master artisans via training sessions, workshops and courses (79 participants in 2024). The program also offers upskilling and reskilling courses for the house's employees. The name is inspired by the brand's founding values as displayed in its original coat of arms: "Labor et Ingenium", which means "Craft and Creativity";
- in September 2024, Brioni reopened the *Scuola di Alta Sartoria Nazareno Fonticoli* at Penne in the Abruzzo region. This new edition will welcome a cohort of 16 students, who will be trained in best practices so they can become the master tailors of the future.It is a 2-year, 1,300-hour program based on the houses' expertise and that of local artisans.

Other houses have developed partnerships or collaborated with highly renowned institutions:

- the partnership between Boucheron and the *Haute École de Joaillerie* in France involves 45 students in the 2022-2025 cohort preparing for the advanced jewelry diploma and the bachelor's degree in jewel design;
- Saint Laurent Couture Institute for ready-to-wear apparel: This program is a six-month course intended for advanced fashion students and the house's employees developed in partnership with the *Institut Français de la Mode* (IFM). Saint Laurent aims to encourage talent and to innovate by developing cross-disciplinary collaborations (111 participants in 2024);

- *Pomellato Virtuosi* is a training academy established in 2018 in partnership with the Galdus Goldsmith Academy. The training, spanning three to seven years, covers technical and transversal skills and includes workshops, internships and employment opportunities within the House. Since 2018, over 500 students have been trained by Pomellato's artisans.

### Innovation and adaptation - upskilling

#### Integration of new technologies

Kering and its houses are committed to preserving traditional craftsmanship and have placed innovation and creativity at the heart of what they do. They ensure their employees are trained in new production techniques and guarantee optimal use of technologies. Not only do technologies help to pass on expertise and know-how, they can also improve working conditions by lightening the load of low value-added tasks. For example, Alexander McQueen's design teams use a 3D printer for shoe samples. This technology has improved the sampling speed, so designers and suppliers can focus more effectively on their skills and craft. Brioni's Human resources department has invested in 3D glasses so that master tailors around the world can learn some techniques remotely.

#### Sustainable production methods

To guarantee the long-term survival of its expertise, it is essential for Kering to introduce more sustainable production methods gathering tradition and innovation. The Group is actively participating in a more ethical creation model where artisan excellence is combined with the preservation of natural resources by investing in more efficient production processes, promoting optimal resources use (see section 2.5) and raising employee awareness on environmental priorities.

For example, since 2020 Balenciaga has strengthened its commitment by organizing concrete sustainability-related awareness and training initiatives. In 2024, it held 10 training sessions on raw materials sourcing and 5 sessions on social practices, each gathering approximately 200 participants.

### Quality control and suppliers' commitment to sustainability

#### Quality control

Kering conducts regular audits and inspections to ensure products compliance with quality standards and certification requirements.

At Group level, product compliance teams support the houses to develop and distribute products that meet each market's legal requirements, as well as with the Group's Product Restricted Substances List (PRSL) and the Manufacturing Restricted Substances List (MRSL). The Test and Innovation Lab (TIL) supports testing and problem-solving activities, as well as the houses' R&D projects (see section 3.4.3).

#### Suppliers' commitment

Kering conducts a regular assessment to ensure its main suppliers and their subcontractors comply with the Group's contractual requirements using a robust system of controls which combines audit with risk evaluation practices (see section 3.2.1.3).

### Support for local communities

Kering plays a role in the life of the communities where its sites are located and works to prevent and to mitigate any negative impacts created by its activities or to which they contribute (see section 3.3.3).

## 3.1.6.3 Targets and performance indicators

Kering does not have specific objectives or targets for preserving craftsmanship, but it relies on its houses to implement actions and initiatives to protect and develop their know-how and unique expertise.

Kering compiles relevant information through an annual internal survey to ensure all the houses continuously maintain and improve their initiatives on craftsmanship preservation. This survey collects details about their initiatives and training.

## 3.1.7 Respecting human rights in own operations

### 3.1.7.1 Human rights policies

Compliance with and protection of the human rights and fundamental freedoms of the Group's employees, as well as external staff employed by partners or service providers with whom the Group and/or its houses have a direct relationship, is a central tenet of Kering's ethical, HR and compliance commitments:

- the Code of Ethics is the cornerstone of Kering's commitments in terms of ethics and human rights. It resolutely reaffirms the Group's commitment to uphold employees' human rights, irrespective of their status (full-time or part-time employees working on a permanent or temporary contract, external or occasional workers);
- the Human Rights Policy, drafted and implemented by the Compliance department in collaboration with several other departments, including Human resources and Sustainability, covers all of Kering's operations and translates into an operational form its commitments to respect human rights as set out in the Code of Ethics towards Kering employees. This policy aims to clarify the Group's main expectations and to provide a public statement of its commitment to upholding ethical values, human rights, compliance and the environment. Kering commits to providing a work environment upholding international human rights standards on its premises – whether offices, workshops, stores, production facilities or logistics hubs. First of all, this includes a ban on child and forced labor, the freedom of association in compliance with the local laws and regulations, the freedom of expression for all the Group employees, the creation of an equal, safe and secure work environment free of any violence or discrimination;
- the Charter on Fashion Models' working conditions and well-being aims to ensure the respect of several key human rights principles and to improve models' working conditions. It is annexed by the houses to agency contracts;
- lastly, the Group's publications in relation to human rights, including the Modern Slavery Statement and the Conflict Minerals Statement, as well as the Sustainability Principles related to the social and environmental aspects of human rights also form part of the corpus.

All these documents are accessible online by all Group's employees.

### 3.1.7.2 Actions to safeguard human rights

Kering's actions to uphold human rights are carried out as part of the continuous improvement of the compliance program through updates to risk mapping (anti-corruption, human rights and duty of care), compliance reviews and internal audits. Kering raises awareness about human rights by incorporating a section on this topic in the Ethics and Compliance e-training module.

#### Assessment of human rights and duty of care risks

A new and more in-depth assessment of the risks covered by the Duty of Care Law was carried out in 2023 and 2024 to establish whether, and to what extent, such risks had evolved since 2021. This update to the human rights and duty of care risk mapping, as well as the drafting of the related Duty of Care Plan, have involved a significant number of internal stakeholders (including from Kering's and the houses' Human Resources, Sustainability, Legal, Compliance, Audit and Operations functions) and the assistance from external legal counsel to ensure an independent and adequate expertise. This exercise was carried out over two years and based on interviews with 155 Group employees, the analysis of nearly 2,000 documents and the scoring of thousands of country-specific risks based on 56 third party-supplied risk indicators (including well-known human rights specialists). This led to the definition of an action plan to optimize human rights practices and controls.

This framework was supplemented by:

- an extensive compliance review of Creed, a House recently acquired by the Group, including human rights aspects and the definition of a specific action plan;
- a presentation by the Compliance department of the results of the human rights and duty of care risk mapping carried out in 2023 and 2024 to the European Works Council and the Audit Committee; it also included the latest developments concerning the duty of care and the methodology used during the exercise;
- updates of the Group's Duty of Care Plan and Group's disclosures, Modern Slavery Statement and Conflict Minerals Statement, notably in response to Canada's new forced labor regulation.

Lastly, the Compliance Department, working in conjunction with the Human resources department, has also set up a system for reporting and handling whistleblowing reports, accessible in accordance with the French law on the Duty of Care (No. 2017-399), the Sapin II law and the requirements of the Waserman law (No. 2022-401), see section 4.1.2.2.

#### Mandatory annual Ethics and Compliance training

The Ethics and Compliance e-learning course, which runs annually, is mandatory for all Group employees and consists of modules covering various ethics-, compliance- and human rights-related issues. In 2024, the training addressed priorities such as respect for human rights by external service providers within a Group store or by a supplier at its production site. The training program allowed employees to choose one of three profiles so they could work on themes relevant to their function (production, retail or corporate) and thus benefit from suitable risk scenarios and explanations. Members of the Executive Committee and the Chief Executive Officers of the houses also issued several messages about the importance of the training, which was taken by 98.3% of the Group's employees.

General training on human rights and the latest duty of care developments was also carried out for the Group's entire compliance network and for the Board of Directors' Sustainability Committee.

### 3.1.7.3 Targets

Kering has set a target of over 90% of its eligible employees completing the Ethics and Compliance e-learning every year.

## 3.1.8 Group headcount indicators

### 3.1.8.1 Group's profile

The following figures reflect actual numbers of employees, not adjusted on a full-time-equivalent basis, at the end of the reporting period, i.e. December 31, 2024.

**Breakdown of the workforce (headcount) by gender**

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Men | 17,278 | 17,712 | 17,129 |
| Women | 29,658 | 30,138 | 29,072 |
| TOTAL EMPLOYEES [1] | 46,936 | 47,850 | 46,201 |
| Average number of employees | 47,967 | 47,169 | 44,274 |

[1] See Note 5, section 1.6, chapter 6.

**Gender distribution at top management level (headcount)**

| | % of employees | | | Number of employees | | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2024 | 2023 | 2022 |
| Men | 59.7% | 61.4% | 62.5% | 157 | 161 | 170 |
| Women | 40.3% | 38.6% | 37.5% | 106 | 101 | 102 |
| TOTAL EMPLOYEES | 100% | 100% | 100% | 263 | 262 | 272 |

Definition of top management at Kering: bands F and above are considered to be the Leadership Group and thus the top management.

**Breakdown of employees (headcount) by country**

| | Number of employees | | | Average number of employees | | |
|---|---|---|---|---|---|---|
| Countries in which Kering has 50 or more employees representing at least 10% of its total number of employees | 2024 | 2023 | 2022 | 2024 | 2023 | 2022 |
| Italy | 13,728 | 13,316 | 13,315 | 13,838 | 13,268 | 12,773 |
| United States | 5,389 | 5,517 | 4,708 | 5,512 | 5,416 | 4,406 |
| Mainland China | 5,166 | 5,740 | 5,897 | 5,487 | 5,748 | 5,769 |
| France | 4,731 | 4,801 | 4,209 | 4,773 | 4,577 | 3,978 |

**Breakdown of employees (headcount) by type of contract and by gender as of December 31, 2024[2]**

| | Women | Men | Total |
|---|---|---|---|
| Number of employees | 29,658 | 17,278 | 46,936 |
| Number of permanent employees | 28,381 | 16,688 | 45,069 |
| Number of temporary employees | 1,277 | 590 | 1,867 |
| Number of full-time employees | 27,711 | 16,916 | 44,627 |
| Number of part-time employees | 1,947 | 362 | 2,309 |

[2] Non-guaranteed hours employees are not included in social reporting.

### Breakdown of employees (headcount) by type of contract and by gender as of December 31, 2023[2]

| | Women | Men | Total |
|---|---|---|---|
| Number of employees | 30,138 | 17,712 | 47,850 |
| Number of permanent employees | 28,559 | 16,928 | 45,487 |
| Number of temporary employees | 1,579 | 784 | 2,363 |
| Number of full-time employees | 28,321 | 17,346 | 45,667 |
| Number of part-time employees | 1,817 | 366 | 2,183 |

(2) Non-guaranteed hours employees are not included in social reporting.

### Breakdown of employees (headcount) by type of contract and by gender as of December 31, 2022[2]

| | Women | Men | Total |
|---|---|---|---|
| Number of employees | 29,072 | 17,129 | 46,201 |
| Number of permanent employees | 27,455 | 16,233 | 43,688 |
| Number of temporary employees | 1,617 | 896 | 2,513 |
| Number of full-time employees | 27,358 | 16,775 | 44,133 |
| Number of part-time employees | 1,714 | 354 | 2,068 |

(2 Non-guaranteed hours employees are not included in social reporting.

### Breakdown of employees (headcount) by type of contract and by region as of December 31, 2024[2]

| | Africa/ Middle East | Asia | Eastern Europe | France | North America | Oceania | South America | Western Europe (excluding France) | Total |
|---|---|---|---|---|---|---|---|---|---|
| Number of employees | 1,260 | 14,476 | 1,535 | 4,731 | 5,809 | 472 | 801 | 17,852 | 46,936 |
| Number of permanent employees | 1,253 | 14,129 | 1,424 | 4,459 | 5,584 | 463 | 792 | 16,965 | 45,069 |
| Number of temporary employees | 7 | 347 | 111 | 272 | 225 | 9 | 9 | 887 | 1,867 |
| Number of full-time employees | 1,256 | 14,419 | 1,529 | 4,609 | 5,650 | 444 | 799 | 15,921 | 44,627 |
| Number of part-time employees | 4 | 57 | 6 | 122 | 159 | 28 | 2 | 1,931 | 2,309 |

(2) Non-guaranteed hours employees are not included in social reporting.

### Breakdown of employees (headcount) by type of contract and by region as of December 31, 2023[2]

| | Africa/ Middle East | Asia | Eastern Europe | France | North America | Oceania | South America | Western Europe (excluding France) | Total |
|---|---|---|---|---|---|---|---|---|---|
| Number of employees | 1,270 | 15,195 | 1,616 | 4,801 | 5,950 | 525 | 832 | 17,661 | 47,850 |
| Number of permanent employees | 1,264 | 14,860 | 1,439 | 4,510 | 5,781 | 512 | 814 | 16,307 | 45,487 |
| Number of temporary employees | 6 | 335 | 177 | 291 | 169 | 13 | 18 | 1,354 | 2,363 |
| Number of full-time employees | 1,262 | 15,140 | 1,611 | 4,666 | 5,793 | 487 | 830 | 15,878 | 45,667 |
| Number of part-time employees | 8 | 55 | 5 | 135 | 157 | 38 | 2 | 1,783 | 2,183 |

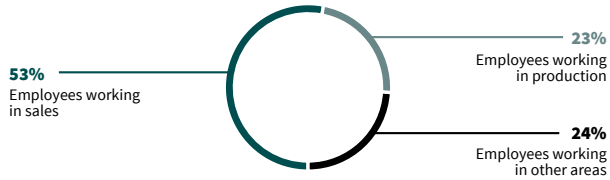
(2) Non-guaranteed hours employees are not included in social reporting.

### Breakdown of employees (workforce) by type of contract and by region as of December 31, 2022[2]

| | Africa/ Middle East | Asia | Eastern Europe | France | North America | Oceania | South America | Western Europe (excluding France) | Total |
|---|---|---|---|---|---|---|---|---|---|
| Number of employees | 1,140 | 15,216 | 1,724 | 4,209 | 5,108 | 537 | 760 | 17,507 | 46,201 |
| Number of permanent employees | 1,132 | 14,839 | 1,575 | 3,937 | 5,030 | 523 | 750 | 15,902 | 43,688 |
| Number of temporary employees | 8 | 377 | 149 | 272 | 78 | 14 | 10 | 1,605 | 2,513 |
| Number of full-time employees | 1,140 | 15,203 | 1,719 | 4,101 | 5,066 | 494 | 758 | 15,652 | 44,133 |
| Number of part-time employees | 0 | 13 | 5 | 108 | 42 | 43 | 2 | 1,855 | 2,068 |

[2] Non-guaranteed hours employees are not included in social reporting.

### Employee profiles as of December 31, 2024, by area of activity[3]




[3] **Sales**: employees working in stores, e-commerce and wholesale. **Production**: employees working in production (workshops, tanneries, etc.). **Other areas:** employees working in support or logistics functions.

### Leavers and turnover

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Number of employees who have left the Group | 9,001 | 9,875 | 8,593 |
| Employee turnover rate | 19.7% | 22.0% | 20.5% |

*Creed and Castellani Fashion have been excluded for 2024.*

### Breakdown of employees by age (workforce)

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Total number of permanent employees under 30 years old | 10,875 | 12,426 | 12,415 |
| Total number of permanent employees between 30 and 50 years old | 28,065 | 27,682 | 26,369 |
| Total number of permanent employees over 50 years old | 6,129 | 5,379 | 4,904 |
| TOTAL PERMANENT EMPLOYEES | 45,069 | 45,487 | 43,688 |

### Training

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Number of training hours | 691,031 | 736,481 | 647,466 |
| Average number of training hours per employee | 14.7 | 15.4 | 14.0 |

*Creed and Castellani Fashion Confezioni S.r.l. have been excluded for 2024.*
*2022 and 2023 data have been recalculated to align with the definitions and calculation methods required by ESRS S1.*

### 3.1.8.2 Social dialogue

| Collective bargaining coverage and social dialogue | European Economic Area countries in which Kering has 50 or more employees representing at least 10% of its total number of employees | | |
|---|---|---|---|
| **Coverage rate** | **2024** | **2023** | **2022** |
| 0-19% | N/A | N/A | N/A |
| 20-39% | N/A | N/A | N/A |
| 40-59% | N/A | N/A | N/A |
| 60-79% | N/A | N/A | N/A |
| 80-100% | Italy, France[1] | Italy, France | Italy |

[1] 96.5% of employees in Italy and 94.1% of employees in France are covered by collective agreements. 100% of employees are covered by an employee representative body in France and Italy – only countries with a significant number of employees, that is at least 50 employees, representing at least 10% of the total number of its employees.

A new method for reporting data relating to coverage by collective agreements is currently being introduced to make workforce data more reliable.

For 2024, all the Group's entities fall within the scope of social reporting, except for Creed and Castellani Confezioni S.r.l. Nonetheless, these entities have been included in the headcount, employee turnover and profile indicators. These entities have thus been excluded from the social dialogue indicators, except for the ratio indicators reflecting the total number of the Group's employees. Futura S.r.l has been completely excluded from the 2024 social reporting.

All employees working in the European Economic Area are covered by a dedicated representative body since they are represented by members of the Kering European Works Council (EWC) (51% of the total number of employees - stable compared to 2023). Kering regularly brings together and associates with the Group's social strategy and CSR issues (see section 3.1.3).

The overall percentage of employees covered by collective bargaining agreements is 48.7%. Those employees are mainly located in the European Economic Area (EEA).

89.7% of employees working in the EEA are covered by:

- collective bargaining agreements in application of the 2017 agreement. This agreement renews the European Works Council, representing a more integrated and internationalized Kering group, and evolves the functioning of the European body to better represent Kering employees;
- the agreement on social dialogue and well-being at work signed in 2023 with the European Works Council.

Employees working outside the European Economic Area are covered by the social dialogue and well-being at work agreement signed with the European Works Council, which makes well-being associated with social dialogue a transnational topic, as communicated to all Kering employees. The working conditions of all the Group's employees, in and outside Europe, are governed according to the country and the social legislation and are covered at the very least by the measures in Kering's social policies, which represent the Group's social standards and are applied worldwide (see section 3.1.3).

### 3.1.8.3 Promotion of workplace safety and management of psychosocial risks

In terms of risk prevention, 69,224 hours of safety training were provided to 9,329 Group employees in 2024.

In 2024, 318 lost-time accidents were recorded by the Group, with no fatalities as in 2023 and 2022. These results reflect the joint efforts of Kering and its houses to create a safe and fulfilling work environment, while continuously improving their practices.

These social data are shared every year with the Group's employee representatives and their experts.

**Number of fatalities and accidents as a result of work-related injuries and work-related ill health**

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Number of fatalities as a result of work-related injuries and work-related ill health | 0 | 0 | 0 |
| Number of recordable work-related injuries | 318 | 288 | 252 |
| Rate of recordable work-related injuries [1] | 3.95 | 3.6 | 3.36 |
| Severity rate of work-related injuries [2] | 0.15 | 0.12 | 0.09 |
| Overall absenteeism rate | 5.8% | 5.0% | 5.7% |
| Absenteeism rate due to illness | 2.9% | 2.6% | 3.2% |

[1] Frequency of work-related accidents (number of accidents per million hours worked).
[2] Severity rate of work-related injuries in number of days lost per million hours worked.
*Creed and Castellani Confezioni S.r.l. have been excluded for 2024.*

Due to the decentralization of a number of data to the houses, Kering is unable to publish the number of employees covered by the Health and Safety management system.

### 3.1.8.4 Remuneration

| Indicators | 2024 | 2023 |
|---|---|---|
| Proportion of employees earning more than the adequate wage* | 100% of Kering employees are paid more than the adequate wage | N/A |
| Unadjusted gender pay gap* | 15.8% in favor of men. On average and not explanatory factors for remuneration levels stated in section 3.1.5.3, women's average salary is 15.8% lower than men's average salary. | 14.2% in favor of men. In average and not considering role, seniority and location, women's average salary is 14.2% lower than men's average salary. |
| Adjusted gender pay gap* | 1.4% in favor of men. Considering legitimate factors, women's average salary is 1.4% lower than men's average salary. | 1.6% in favor of men. This pay gap shows the remaining difference in pay between men and women after accounting for legitimate factors that drive pay in the Group. |
| Ratio between the highest remuneration and average employee remuneration (worldwide scope)* | 190.1 | N/A |
| Ratio between the highest remuneration and median employee remuneration (worldwide scope)* | 253.8 | N/A |

* N.B.: Recent acquisitions (Lindberg, Maui Jim, Creed), accounting for around 4% of the workforce, are gradually being incorporated into the remuneration indicator calculations. The data used in the calculations is from September, which is the reference month for analysis, with data forecast for the final quarter. The gender pay gap is calculated from the base salary excluding variable. The calculation will be extended to other elements of remuneration to meet ESRS definition, depending on the availability of information. The remuneration ratio between the highest remuneration and average and median employee remuneration is within a scope that includes the close to 35,700 employees of Kering and its houses in France, Italy, the UK, the US, Mainland China, Hong Kong SAR, Japan and South Korea ("worldwide scope").This accounts for around 80% of all Kering employees around the world. The remuneration components taken into account are those actually paid and are of the same nature as those used in section 5.3.1 of chapter 3 to calculate the pay ratios, comparing the level of the Chairman and Chief Executive Officer's remuneration and the average and median remuneration of the Company's employees. Indicators regarding the adequate wage and remuneration ratio have been published since 2024.

### 3.1.8.5 Incidents, complaints and serious human rights infringements

In 2024,

- no discrimination or harassment-related complaints were filed with the Group via the channels reporting to the national contact points for OECD multinational enterprises;
- the Group did not record any cases of non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises;
- no alleged human rights incidents were brought to the Group via the whistleblowing mechanism.

The number of complaints (alerts) filed and the number of discrimination incidents (including harassment) are reported via the ethics and compliance whistleblowing mechanism presented in section 4.1.2. As a result of the decentralization of the Group and the non-consolidation of certain data from the houses, Kering is not in a position to publish for 2024 the total amount of fines, penalties and compensation resulting from incidents and complaints.

# 3.2 S2 - Working together to build sustainable and socially responsible value chains

Kering is aware that its social and environmental responsibility goes beyond its own operations and extends throughout its value chain. The Group further believes that respect for human rights applies to everyone, be they employees, workers in its value chain, members of local communities or end customers. The impacts, risks and opportunities identified for value chain workers during the double materiality assessment are described in section 1.2.3 of this chapter.

## 3.2.1 Stakeholder interests and perspectives and interactions with the business model and strategy

The stakeholder mapping in section 1.1.2 sets out how the opinions, interests and rights of value chain workers are identified and taken into account in defining Kering's strategy and its business model.

### 3.2.1.1 Analysis and interactions with the business model

Based on the ESRS definitions, the categories of Kering's value chain workers covered in this section include:

- all workers in the upstream part of the value chain, from production of raw materials to assembly of the Group's finished products;
- all players in the downstream part of the value chain related to the circularity activities of Kering's products and those of the Group's houses (resale, recycling, reuse, repair);
- all workers from external service providers who work on Kering Group sites (on-site contractors) and those of the Group's houses (cleaning, maintenance, construction, security, etc.) as well as models taking part in the houses' fashion shows and media campaigns.

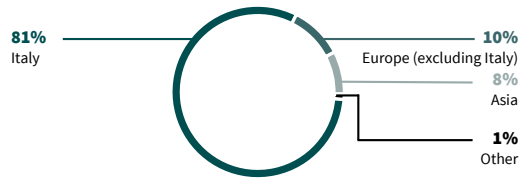
Note that:

- temporary employees and freelance workers contracting with Kering or one of its houses are covered in section 3.1;
- employees of Joint Ventures (JVs) are also covered in section 3.1 if Kering exercises control over these JVs (otherwise they are covered in this section);
- vulnerable populations such as migrants, illiterate workers, women and the LGBTQIA+ community being particularly exposed to human rights risks and are integrated into Kering's approach;
- lastly, 91% of the Group's suppliers are located in Europe, and are therefore subject to stringent regulations on human rights and workers' rights. The mapping of human rights risks carried out as part of the duty of care identifies the regions and business sectors most at risk in Tier 1 supplier activities and raw material-related issues.

Given the (i) location of its suppliers mainly in Europe, (ii) third-party integrity assessment process (via a risk management and screening market platform), (iii) suppliers' compliance with and implementation of the Code of Ethics and the Human Rights Policy, (iv) risk analysis and more specifically risk mapping regarding human rights and duty of care, (v) policy of controls and social and safety audits deployed in its supply chain, Kering implements the controls necessary to limit the risks and potentially negative impacts that could affect supply chain workers and address any isolated incidents when identified (see section 3.2.1.3).

In addition, the preservation of craftsmanship and know-how is considered a key issue for the Group, as it determines its business continuity and the employability of the actors in its value chain in a context of just transition and transformation of production and supply models. This also helps to develop and increase the skills of value chain workers. The IROs relating to the preservation of expertise and craftsmanship are set out in detail in section 3.1.6.

Kering operates in the luxury market, whose supply chains are structured in a very specific way, as evidenced by the location of suppliers in the centrally managed database in 2024:

| Supplier Portfolio | Size of suppliers | Geographical location of Kering's suppliers in 2024 |
|---|---|---|
| Thousands of mostly small suppliers, highly fragmented market, high level of craftsmanship. | Average number of employees per supplier: approximately 67.<br>Average number of employees by supplier in Italy: 40.<br>Taking all Kering suppliers into account, this represents an estimated workforce of more than 119,000 employees (tier 1) and 160,000 employees (tier 2). | 91% in Europe, predominantly in Italy (81%)[1]:<br>  |

(1) Geographical breakdown in 2024 of direct suppliers and subcontractors, managed within the centralized system introduced by Kering in 2016.

The supplier database managed by Kering's social audit team for its houses has the following characteristics:

- it includes all production suppliers, the main suppliers of materials (leather, fabrics, ribbons, precious stones, etc.), Kering Eyewear suppliers as well as suppliers deemed strategic and not included in previous categories;
- to date, it includes 4,470 active suppliers, of which 3,375 in production, 1,092 suppliers of materials and 3 service providers. The breakdown of active suppliers is as follows:
  - 36% Tier 1 suppliers (16% of direct suppliers that do not use subcontractors and 20% of contractors that use subcontractors),
  - 64% Tier 2 suppliers, i.e., subcontractors working for contractors and have no direct business relationship with the houses.

In the supply chain, the gender balance is as follows: 51% of workers are men and 49% women. By type of supplier, the gender balance is as follows:

- Tier 1 suppliers: 49% men, 51% women;
- Subcontractors: 52% men, 48% women.

Subcontracting without prior authorization is not permitted.

In 2024, 9.6% of suppliers were deemed strategic. Strategic suppliers are those needed to ensure business continuity due to the volume of spend involved. Furthermore, 6% of suppliers are deemed "at risk" because they are located in countries considered by the Group to be "at risk". A country is considered to be "at risk" when the indicators contained in various external databases imply that human rights risks are high or very high.

In 2024, 15.5% of suppliers were deemed critical (of which 64.5% Tier 1 and 35.5% Tier 2). Suppliers are deemed critical when they are strategic and/or at risk. If they meet both criteria, they are counted only once.

### 3.2.1.2 Processes for engaging value chain workers

81% of Kering's suppliers and those of its houses are based in Italy. As a result, upstream value chain workers are therefore automatically covered by the relevant collective bargaining agreements of the sectors in which they work. This offers a well-established social dialogue structure managed by their union representatives and regular exchanges with economic players. Collective bargaining agreements are reviewed every three years on average.

In addition, a number of processes piloted by the Group provide a clearer understanding of value chain workers' expectations and interests, whether via the interviews and analyses conducted as part of the human rights and duty of care risk mapping which helps define the Group's annual Duty of Care Plan or via the interviews performed during the thousands of social audits carried out by the Group every year.

The Group may decide to conduct ad-hoc studies, surveys or interviews with value chain workers, when the latter are in particularly vulnerable situations (e.g. in certain geographies and/or certain activities).

The Group does not use any specific indicators to assess the effectiveness of this engagement process but requires its suppliers to sign the Code of Ethics, which includes the Suppliers' Charter, thereby committing them in the same way as Kering and also committing their own suppliers. The Hercules system of social audits on suppliers involves a process to verify its implementation – see the presentation and monitoring indicators in the section below.

The Group General Counsel has responsibility for implementing matters relating to human rights and working conditions in the value chain, as well as related policies. The Group Operations Director is responsible for the implementation of social audits and matters involving on-site contractors.

Responsibility for day-to-day management lies with all relevant departments and, more specifically, the following:

- the Compliance department, that is mainly responsible for drafting policies, namely the Code of Ethics and the Human Rights Policy, ensuring their effective deployment within the Group and their update;
- the Audit department, that controls supplier compliance and their alignment with Group standards;
- the Security department, that guarantees the security of the Group's sites;
- the Sustainability department, that coordinates the implementation of the pillars of sustainable and social development within the supply chain.

### 3.2.1.3 Processes to remediate negative impacts and channels allowing value chain workers to raise concerns

The Group has implemented four processes to control, measure and address the potential negative impacts on value chain workers:

- a social audit process for the Group's direct suppliers and their subcontractors;
- a whistleblowing mechanism that is open to supplier and subcontractor employees;
- a human rights and duty of care risk mapping that identifies and assesses risks related to the Group and its houses' Tier 1 supplier activities and to the sourcing of raw materials;
- a set of projects and ad-hoc studies conducted by a dedicated team in certain geographies or sectors of activity to measure the social performance of Group suppliers and suggest improvement plans (see section 3.2.2.2).

#### Social audits

No control system, regardless of how mature and tested it is, can guarantee the absence of risk. It is up to the Group and its houses to set up systems to collaborate with suppliers and efficient controls in order to keep risk to a minimum and implement the necessary corrective actions where cases of non-compliance are identified.

Since 2016, the Group has put in place a single central body at Kering level to monitor the compliance of Group suppliers, censuring the consistency of audit and risk assessment practices, known as the Hercules system. This system is built on the following six pillars:

1. the Sustainability Principles, updated in 2023, which are divided into three areas: (i) social aspects related to human rights, labor rights, and health and safety; (ii) environmental aspects; and (iii) aspects related to sourcing of raw materials and packaging (these last two aspects are set out in detail in sections 2.4 and 2.5);
2. central management by Kering that relies on a team of 31 people based on needs (location, workload, etc.), and that may be assisted by other internal functions within the Group; This team is also assisted by an external service provider that applies the same auditing methodology;
3. clear and uniform procedures for all the houses, corresponding to the different stages of the supplier relationship, including activation, evaluation and contract termination;
4. an audit plan that is regularly updated to take into account new suppliers and exclude those that have become inactive. The risk assessment and audit plan are built on the basis of a set of gross risks and previous supplier audit performance results;
5. a single, comprehensive audit methodology covers human rights, health and safety, and environment. Containing 97 questions, the comprehensive audit questionnaire is divided into 13 categories (child labor, forced labor, health and safety, freedom of association and the right to collective bargaining, discrimination, wages, the environment, etc.) and is aligned with the most relevant standards such as the SA8000 standard and the SMETA scheme. Findings are consolidated across the houses in order to avoid any duplication of audits conducted. The audits are classified as:

- activation audits: comprehensive audits conducted systematically for all potential new suppliers;
- comprehensive audits: periodical audits covering every active supplier;
- follow-up audits: audits focusing mainly on areas where cases of non-compliance were identified during activation and comprehensive audits.

The frequency of audits therefore depends on the results of previous audits: the Group aims to audit its compliant suppliers once every two years. Partially compliant suppliers or suppliers for which progress is expected are subject to follow-up audits to ensure the effective implementation of remedial measures.

All audits include document reviews, site inspections, and worker interviews. A representative sample of employees is selected for those interviews, taking into account age and union representation in particular, if applicable. These interviews are confidential. The social audit protocol? associated checklists and classification of anomalies are regularly reviewed to integrate regulatory changes and best practices;

6. Classification of anomalies into four categories and a standardized response to each case:

- zero-tolerance: these relate to the most serious situations and especially child labor, forced labor, irregular work, undeclared subcontractors, threats, discrimination, serious violations of regulations, counterfeiting, etc.);
- high non-conformity: the supplier is given one month to resolve the breach, and a follow-up audit is scheduled to confirm that the issue has been resolved. Identification of a zero-tolerance breach or a high non-conformity triggers the immediate establishment of a committee which brings together the Kering audit team and the relevant house(s) to decide on the future of the relationship with the supplier. If the supplier is in the process of being activated but has not started working, the approval process is immediately shut down. If the supplier is working on one or more orders, discussions then take place regarding the possibility of remediation and support for the supplier or the need to terminate the contractual relationship. The house decides on the most appropriate response;
- non-conformity: the supplier is given three months to resolve the non-conformity, and a follow-up audit is scheduled to confirm that the issue has been resolved;
- observations: these give rise to a corrective action plan and are the subject of a dedicated checklist during the following audit. The supplier is given six months to remedy an observation.

For each of the 13 categories of the comprehensive audit questionnaire, there is a detailed description of what constitutes zero-tolerance breaches, high non-conformity breaches, non-conformity breaches and observations. For example, in the health and safety category, any situation that may endanger the lives of workers is a zero-tolerance breach; the absence of mandatory documentation on aspects likely to endanger the health or safety of employees constitutes a high non-conformity breach; the absence of mandatory documentation other than that addressing the health or safety of workers is a non-conformity breach; and any deviation from existing procedures results in an observation. In the social category, the falsification of a certificate proving payment of social security contributions is a zero-tolerance breach; any issue relating to the minimum wage is a high non-conformity breach; a failure to comply with updates to collective bargaining agreements is a non-conformity breach; and a failure to implement laws to promote the professional integration of vulnerable people results in an observation. Depending on audit results, suppliers are classified as:

- compliant (no zero-tolerance breaches, no non-conformity, fewer than five observations);
- partially compliant (no zero-tolerance breaches, no high non-conformity breaches, fewer than five non-conformity breaches);
- progress expected (no zero-tolerance breaches, more than five non-conformity breaches or at least one high non-conformity breach);
- non compliant (at least one zero-tolerance breach).

### Ethics and compliance whistleblowing mechanism

Kering has a system for reporting and handling reports raised in accordance with, in particular, the French law on the Duty of Care (No. 2017-399), the Sapin II law and the requirements of the Waserman law (No. 2022-401), that is accessible to supply chain workers and on-site contractors. It is described in detail in section 4.1.2.2.

### Human rights and duty of care risks mapping

Since 2021, the Compliance department carries out and regularly updates the human rights and duty of care risk mapping covering all the activities of the Group and its houses, its Tier 1 suppliers and its raw material supply.

### Measuring social impact and ad hoc projects

Since 2021, Kering has a team dedicated to social impact within its Sustainability department. This team works to better understand the Group's suppliers' social performance and drives the development of action plans for the Group and its houses, particularly on matters relating to decent working conditions such as living wage.

## 3.2.2 Working conditions and respecting human rights in the value chain

### 3.2.2.1 Policies on working conditions and respecting human rights in the value chain (including on-site contractors)

Through its Code of Ethics, the Suppliers' Charter and the Human Rights Policy defined in section 3. Social information, Kering is committed to:

- respect the main international reference texts on human rights and the highest standards of the various relevant regulations applicable to itself, namely the provisions and various conventions of the International Labour Organization (ILO), OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights (UNGP);
- prohibit any acts that may constitute child labor, forced labor, human trafficking, debt bondage and all other forms of slavery, within its internal operations and supply chain, as set out in its Suppliers' Charter. The Group applies a "zero tolerance" policy in this area, leading to the automatic termination of the affected business relationship;
- ensure its business partners respect workers' right to form or join the union of their choice and to foster an open dialogue with workers, provide a safe and secure work environment and reasonable working hours, as well as a living wage and an equal and inclusive work environment, free of all forms of violence or discrimination.

Lastly, the Group's publications in relation to human rights, including the *Modern Slavery Statement* and the *Conflict Minerals Statement*, as well as the Sustainability Principles related to the social and environmental aspects of human rights also form part of these corpus. All these documents are accessible online to all supply chain workers.

Kering also falls within the scope of French Law No 2017-399 of March 27, 2017 on the Duty of Care of parent companies and contracting companies ("Duty of Care Law"), which requires companies to draw up, publish and implement a duty of care plan to identify risks and prevent serious attacks on human rights and fundamental freedoms, severe harm to the health and safety of individuals, as well as the environment, resulting from the operations of (i) the Company, (ii) its subsidiaries and other controlled entities or (iii) its suppliers or subcontractors. Kering's Duty of Care Plan is presented in chapter 5 section 3 of this Document. Kering updates its Duty of Care Plan annually and frequently conducts a mapping of relevant human rights and duty of care risks. An update of this exercise, last carried out in 2021, was completed between 2023 and 2024.

The Charter on Fashion Models' working conditions and well-being was introduced in 2017 to ensure that Kering and its houses comply with various major human rights principles and improve working conditions for models (e.g., providing a dedicated changing area as well as food and drinks…). Under this Charter, Kering and its houses have committed to only hire models aged 18 and over to represent adults at fashion shows and photo shoots.

Finally, the Group's Procurement department (indirect purchases) remains committed to responsible purchasing from its suppliers, based on a reciprocal undertaking with suppliers to respect Kering's Code of Ethics and on specific commitments tailored to each purchasing category, with buyers and their internal clients identifying the most relevant sustainability criteria (cf. section 4.2.1).

### 3.2.2.2 Actions relating to working conditions and respecting human rights in the value chain (including on-site contractors)

#### Social audit process for the Group's suppliers

Social audits according to the Hercules system are one of the main levers for the Group to ensure that its suppliers and their sub-contractors comply with human rights and working conditions standards throughout the supply chain. 4,550 audits were performed in 2024. Furthermore, the Group wishes to increase the share of unannounced audits. 52% of audits (excluding activation audits) were unannounced in 2024. This system is presented in section 3.2.1.3 and the reporting related to to its implementation in 2024 is set out in sections 3.2.2.2 and 3.2.2.3.

#### Communication to suppliers' employees

Since 2020, Kering has undertaken an extensive communication campaign notably designed to remind employees of its direct suppliers of the existence of the Group's whistleblowing mechanism. The campaign has been translated into 15 languages and has taken two forms: (i) a poster displayed in relevant locations at supplier and service provider sites, to maximize visibility (cafeteria, locker rooms, site entrance, etc.) and (ii) a flyer distributed directly to employees, reminding them of how to access the system as well as the protections provided.

Supplier social audits conducted each year include checks on the proper dissemination of this information to all workers (awareness of the system, display of the documentation, etc.).

#### Updating of policies and processes

Between 2023 and 2024, Kering's Compliance department updated the mapping of human rights and duty of care risks. The previous risk mapping was performed in 2021 and covered Kering Corporate, Gucci, and Boucheron. The updated version has been expanded to cover the other houses. A distinction is made to assess separately the risks to which stakeholders are exposed, and the risks to which Kering and its houses are exposed, analyzing the potential financial, legal (namely, in relation to compliance), and reputational impacts. Overall, the exercise involved interviews with 155 Group employees, a review of almost 2,000 documents, and the scoring of thousands of country-specific risks based on 56 third-party- supplied risk indicators. Specific action plans have been deployed or are due to be deployed soon (in 2025 and 2026) to improve practices and better manage related risks. Monitoring is handled by the Compliance department, which also monitors human rights and certain environmental rights in relation to duty of care in the highest-risk countries. In addition, Kering updates its risk mapping regularly so it can factor in any new entities, among other reasons, which was achieved with Creed in 2024.

### Measuring social impact and ad hoc projects

The social impact team within the Sustainability Department carried out various studies to identify areas for improvement particularly regarding the issue of living wage:

- between 2021 and 2024, a series of living wage analyses and assessments using the Fair Wage Network benchmark were carried out across approximately 100 suppliers to assess the situation;
- at the end of 2023, Kering became a strategic partner of the Wage Indicator Foundation to support the publication of free public data on living wages. This partnership supports the living wage principles published in 2024 by the International Labour Organization;
- in 2024, an in-depth assessment was launched covering on-site contractors working on Group and houses' sites to identify targeted actions;
- at the end of 2024, Kering started covering the living wage issue at the Watch & Jewellery Initiative (WJI);
- alongside these analyses, Kering also monitors various human rights risk indicators provided by the external platform *Verisk Maplecroft*;
- certain houses use certifications to endorse their practices: SA8000 (*Social Accountability 8000*) social certification for Gucci (since 2007) and Bottega Veneta (since 2009). Gucci is also a member of the Advisory Board that drafted the SAI standard (*Social Accountability International*); RJC (*Responsible Jewellery Council*) certifications, which attest to a company's commitment to environmental and working condition standards in the jewelry and watchmaking sectors. Pomellato, Dodo, Boucheron, Qeelin and Gucci (also RJC CoC-certified) are certified.

### Participation in initiatives and partnerships

Kering and its houses are active in several initiatives and partnerships:

- Kering is part of four working groups focusing on living wage, human rights, social metrics and inclusion/diversity as part of the B4IG (*Business for Inclusive Growth*) Coalition, now merged with WBCSD-BCTI;
- Kering is a founding member of the Fédération de la Haute Couture et de la Mode (FHCM) working group focusing on measuring social impact on matters such as living wage and gender equality;
- Kering is a member of the *Capitals Coalition,* in which Kering supports the integration of human, natural and social capital in strategic decisions, and contributes to educational tools on social and human capital.

## 3.2.2.3 Targets and performance indicators

### Target

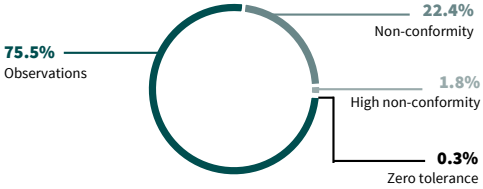
| Title | **Audit 75% of Group suppliers annually** |
|---|---|
| **Scope** | Active suppliers (production, materials, services) |
| **Period** | Annually (from 2025) |
| **Key methodologies and assumptions to define targets** | • 3 types of audits: activation/comprehensive/follow-up<br>• The frequency of audits depends on the results of previous audits |
| **2024 performance** | 70% |

### Social audit monitoring metrics

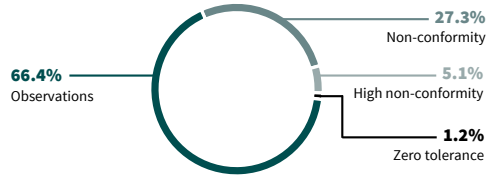
Across the supplier portfolio, 4,550 audits were conducted in 2024 (compared with 4,559 in 2023, 4,118 in 2022, and 3,420 in 2021), including 877 activation audits due to the extension of the audit scope, 1,588 comprehensive audits, and 2,085 follow-up audits. A total of 44% of these audits were carried out by Kering's internal team of auditors and 56% by external auditors, with the Group audit protocol consistently applied to all audits.

At December 31, 2024, the 12,811 anomalies could be broken down as follows:

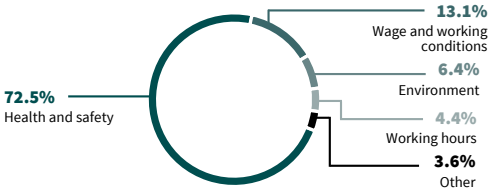
**Breakdown by severity of anomalies as of December 31, 2024**



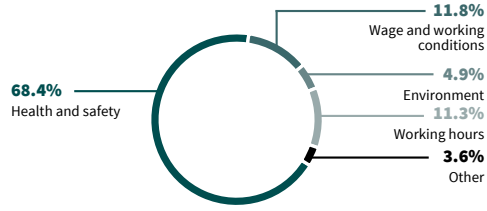

**Breakdown by severity of audit anomalies recorded at critical suppliers as of December 31, 2024**




**Breakdown by theme of the top five anomalies recorded (excluding observations) as of December 31, 2024**




**Breakdown by theme of the top five audit anomalies recorded (excluding observations) at critical suppliers as of December 31, 2024**




Following the audits carried out to date, 63.8% of suppliers were rated as compliant (in line with 2023), 30.3% as partially compliant, 5.1% as progress expected, and 0.8% as non-compliant. A total of 89 suppliers saw their business relationship terminated in 2024 due to unsatisfactory audit results.

Corrective action plans were drafted following the audits, wherever breaches and particularly high non-conformity breaches, were identified. Follow-up audits were then conducted to verify the resolution of the issues. The zero-tolerance breaches identified during the audits were dealt with immediately, in accordance with established rules and in coordination with the relevant houses. To speed up the resolution of anomalies, the central team held more than 429 committee meetings with the houses. This process led to the resolution of several high non-conformity and zero-tolerance situations.

For example, in 2024, a follow-up audit performed at a supplier revealed the use of a subcontractor's workers, in breach of its independence contract and applicable employment regulations. Following discussions on this high non-conformity anomaly during a committee meeting, the supplier implemented practical measures to address the situation (by hiring the workers involved). This anomaly was closed during the follow-up audit.

Another example involves a supplier where three high non-conformity anomalies were detected in 2022, relating to breaches of social security legislation, overtime, and rest days. After providing regular evidence that it was complying with its remedial action plan in 2023 and 2024, an audit carried out in 2024 confirmed that the company was indeed complying with the applicable regulations.

One last example involves a supplier that did not comply with regulations regarding organization and cleanliness of the work environment, with potential health and safety risks for workers. After providing proof of the corrective measures implemented in the form of documents and photographic reports, the anomaly was deemed closed, and the supplier will be reviewed again in 2025.

## Human rights incidents

No alleged human rights incidents were reported to the Group's attention via the whistleblowing mechanism in 2024.

# 3.3 S3 - Respecting the rights and interests of affected communities

Kering is a major economic and social player in the regions where it operates and beyond. The Group interacts with the communities in the main areas where it sources its raw materials. The Group is conscious of its social responsibility to prevent, detect, and mitigate any negative impact that may result from its activities on those communities. The related impacts, risks, and opportunities identified during the double materiality assessment are described in section 1.2.3 of this chapter.

## 3.3.1 Stakeholder interests and perspectives and interactions with the business model and strategy

The stakeholder mapping in section 1.1.2 sets out how the opinions, interests and rights of affected communities are identified and taken into account in the definition of Kering's strategy and its business model. The Group intends to pursue its development while ensuring it upholds the rights and interests of communities directly or indirectly affected by its activities.

Given its activities, its geographical footprint and the challenges linked to its value chains, the Group has identified three main categories of communities that could be affected by its activities and/or those of its economic partners:

- local communities, living or working close to the Group's main operating bases - namely in Italy, where 81% of its suppliers are located, and more generally in Europe (91%);
- women in society, given the impact of the luxury industry on cultural and social representations of women in society, the significant share of female clients for the Group's various houses as well as the share of women in the Group's total workforce (63%) and in its supply chain (49%);
- indigenous peoples, who are mainly identified in the upstream supply chain, linked to the production of certain raw materials.

## 3.3.2 Dialogue and remediation process in relation to affected communities

### 3.3.2.1 Dialogue with affected communities

#### Local communities and indigenous people

Kering is fully aware of its social responsibility and of the need for constructive dialogue with the main stakeholders and their government or community representatives in the regions where it operates. This dialogue serves three main aims:

1. gather the opinions and concerns of local actors so that they can be best taken into consideration in the Group's operations and those of its houses;
2. prevent, detect, and remediate any negative impact that may result, directly or indirectly, from its activities;
3. act as a responsible local player by making a sustainable contribution to the economic and social development of the territories where the Group is present.

Operational responsibility for dialogue and policies in relation to local and indigenous populations lies with each house. Whenever contacts involve the Group and government authorities or representatives, the Institutional Affairs department, under the responsibility of the Chief Sustainability and Institutional Affairs Officer, should be involved.

Kering recognizes the rights of indigenous peoples including, but not limited to, human rights as well as the right to land, resources and protection of cultural heritage. In addition, Kering ensures that its activities do not adversely impact those communities. As part of its double materiality assessment, the Group has identified the impacts which could potentially affect those communities over the medium to long term, namely those related to Kering Beauté's activities, launched in 2024 (see section 1.2.3). As part of a long-term commitment, engagement with indigenous people has until now primarily been carried out through organizations with a thorough knowledge of local issues. Looking forward, the Group is considering developing a more straightforward and structured engagement process with these populations.

#### Women in society

Kering places gender equality, women's rights, empowerment and recognition at the heart of its commitments, both in its activities and by implementing awareness programs, and also via the Kering Foundation's endowment fund dedicated to combating violence against women. The Group acts to promote gender equality, challenges structural obstacles that women face and provide them with social and economic development opportunities, and also a fair representation of their role and talent within society, especially in key areas where representations are changing, such as art and culture. Within that framework, Kering and its houses engage directly with the women involved in its activities and their legitimate representatives, such as international organizations, NGOs specializing in women's rights (see section 3.3.4.1). The Chief Sustainability and Institutional Affairs Officer is responsible for this dialogue when it involves Kering Foundation activities whereas the Group Chief Brand Officer is responsible for dialogues around the topic of the role of women in arts and culture. Informed opinions can therefore be gathered over time and highlighted concerns can be integrated into the Group's practices and strategies.

#### 3.3.2.2 Processes to remediate negative impacts and channels for affected communities to raise concerns

Kering is committed to preventing and remediating negative impacts identified by affected communities, in compliance with its human rights and social responsibility commitments as set out in the Code of Ethics and the Human Rights Policy. Feedback on concerns is communicated via informal processes on a case-by-case basis. The potential negative impacts identified with regards to indigenous peoples are medium to long-term and are mainly linked to the new Kering Beauté division. In 2024, Kering co-financed the "Indigenous Partnership Principles for the Fashion, Apparel and Textile Industries" study, which was carried out by the NGOs Conservation International and Textile Exchange, to identify and get a clearer understanding of how the fashion industry impacts indigenous peoples worldwide. Thus, the Group, having deployed an initial level of standards, namely via its Biodiversity Strategy, will be required to reinforce this system in the coming years by establishing clear processes for gathering the interests and concerns from indigenous peoples and suitable remediation measures.

### 3.3.3 Local communities and indigenous peoples

#### 3.3.3.1 Policies related to local communities and indigenous peoples

The commitments of Kering and its houses toward local communities and indigenous peoples are described in the following four documents:

- the Code of Ethics (see section 3. Social information);
- the Human Rights Policy (see section 3. Social information);
- the Climate Strategy and Biodiversity Strategy (set out in sections 2.1 and 2.4);
- the Sustainability Principles (see section 2. Environmental information).

**Promoting and sustaining economic and social development**

Respectful of the cultures of the territories in which the Group operates, the Code of Ethics reiterates Kering's commitment to contributing actively to the economic and social development of local communities. Local communities are affected by the Group's activities, benefiting from positive repercussions linked to its local presence: job creation, revenues, dialogue with external stakeholders and support for local infrastructure. Kering and its houses impose on themselves, but also require their suppliers and subcontractors to comply with local laws and regulations and operate in accordance with the Group's principles and values, whether these be ethical values or social and environmental standards.

The Group finds inspiration in the expertise and know-how of its workshops and the thousands of suppliers it partners with. The Group's houses actively contribute to the preservation of traditional expertise and excellence in craftsmanship and in the arts, such as leatherwork in Italy and artistic creations in London, Paris and Milan. The long-term future of the Group's houses is tightly linked to areas of key know-how that are specific to the luxury industry. The Group actively supports specialist craft communities and professional organizations to ensure this expertise is preserved and to contribute to creating employment in the regions where these skills were born and have been developed (see section 3.1.6).

**Respecting and protecting human, cultural and environmental rights**

As set out in the Human Rights Policy, the Code of Ethics and its Suppliers' Charter and the Group's Sustainability Principles, Kering is committed with its suppliers to:

- respect the rights of workers, farmers, and smallholders, in compliance with the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights (UNGP), and the Fundamental Conventions of the International Labour Organization (ILO);
- not contribute to the disappearance of artisanal traditions or the communities that perpetuatee them;
- refrain from supporting any economy fueled by conflict or war;
- not hinder (namely by intimidation) activities of human and environmental rights defenders.

Furthermore in its Human Rights Policy Kering pledges to:

- respect the right of any person in its value chain to own property;
- combat forced evictions and population displacement in the course of its activities;
- enforce a zero-tolerance policy against human trafficking within local communities in link with the conduct of its activities.

The Biodiversity Strategy and the Group's Sustainability Principles specify that Kering is committed to respecting the rights of indigenous peoples, specifically on matters of consent; in line with the principles of the Nagoya Protocol, and particularly in relation to its Beauty-related activities.

Kering expects its direct suppliers to respect the rights of indigenous peoples and that in turn they require the same from their subcontractors.

#### 3.3.3.2 Actions related to local communities and indigenous peoples

**Promoting economic and social development**

Projects from the Regenerative Fund for Nature and Kering's Precious Metal Fund have positive impacts not only for the environment but also for local communities. Improving living standards for communities is one of the five pillars of regenerative agriculture, evaluated using indicators such as levels of revenue, number of persons trained and made aware of these practices, the amounts of microcredits, etc. (see section 2.4.3.2).

In addition, the Group's houses strive to improve the socioeconomic development of local communities via various support programs, whose effectiveness is regularly assessed by the houses:

- in 2024, Gucci continued its collaboration with the Indian social enterprise "I was a Sari", to help underprivileged Indian women become more independent through the production of upcycled products made from used saris;

- Since 2020, Balenciaga, via its collaboration with the NGO Up2Green Reforestation, has supported projects with a positive impact on local communities. In 2024, the House supported a community in Cameroon by creating a coconut production and transformation process, enabling the economic and social development of around 210 people;
- Initiatives to support the integration of refugees: in 2024, Gucci and Bottega Veneta received the "Welcome - Working for Refugee Integration" award from the United Nations Refugee Agency UNHCR, recognizing their efforts in 2023.

**Respecting and protecting human, cultural and environmental rights**

Kering works with local authorities to prevent, mitigate, and remediate the potential negative impacts suffered by local communities. For example, the Group's tanneries located in the Arno basin in Italy are members of a local consortium of tanneries and are proactively involved in a dialogue with local communities and authorities, and collaborating on initiatives together.

Kering ensures its activities do not cause negative repercussions and carries out risk mapping for this purpose to identify, prevent, and remediate human rights risks involving local communities. The Compliance department carried out a risk mapping in 2023 and 2024 covering human rights risks and duty of care toward local communities (more specifically potential violations of rights to land and the preservation of cultural heritage).

Kering and its houses also strive to ensure the inclusion of communities via various projects:

- since 2020, Alexander McQueen has supported "A Team Arts Education" an organization that supports youths from the Tower Hamlets area in London who want to study art and design;
- Kering Eyewear, in collaboration with *CAUTO Cooperativa Sociale,* a network of social cooperatives, continued to work in 2024 with a laboratory where people with disabilities sort used and obsolete eyewear cases in order to recycle the different components of the cases;
- Boucheron sources from a diamond dealer that has a diamond cutting and polishing workshop in Namibia in which more than half the employees have disabilities.

#### 3.3.3.3 Targets and performance indicators

The Group has not yet set targets and performance indicators regarding local communities and indigenous peoples. In the framework of the Regenerative Fund for Nature, monitoring indicators have been defined for each project supported.

In 2024, no serious human rights incidents involving affected communities were identified by the whistleblowing mechanism.

### 3.3.4 Protecting women's rights in society

#### 3.3.4.1 Policy and initiatives to protect women's rights in society

**Kering Foundation, to combat violence against women**

Worldwide, one in three women is or will be a victim of violence in her lifetime. This is a major violation of women's right to live free from violence and discrimination, as well as their right to the highest attainable state of physical and mental health. In 2008, Kering launched its corporate foundation to combat violence against women, which was renamed Kering Foundation in 2023 when it became an endowment fund, with a budget of €5 million in 2024.

After 15 years of action, Kering Foundation has decided to extend its strategy to include violence against children in order to combat violence across generations.

Its mission is based on three pillars:

1. resourcing local organizations;
2. engaging Kering and its ecosystem to create supportive work environments for survivors;
3. influencing new audiences and mobilizing other players.

Kering Foundation works with organizations in six countries where Kering has a strong footprint: France, Italy, the United States, Mexico, the United Kingdom and South Korea. Partnering with local organizations ensures that the relevant support is provided to women. Every organization, its governance and the supported project are subject to prior verification by the Compliance department, which aim to check the beneficiary's reputation and ensure that it has not been convicted of any offenses. In addition, there is a compliance clause in every partnership agreement whereby third parties commit to comply with all applicable legislation, standards and regulations namely regarding duty of care; human rights and workers' rights. Third parties declare that they have read and understood Kering's Code of Ethics and that they will not act in breach of this Code.

Furthermore, Kering Foundation regularly takes part in international activities and events organized by the UN to keep up with new recommendations on protecting women's rights.

Kering Foundation grants its resources to a select number of organizations to provide a meaningful financial contribution and build close, long-term relationships. In compliance with the International Labour Organization's Violence and Harassment Convention No 190, in 2021, Kering Foundation launched a global policy on domestic violence for Kering's employees. The policy provides for specific leave, adapted working conditions, and referral to specialized organizations (see section 3.1.3).

Kering Foundation renewed its governance in 2024: a Board of Directors, chaired by the Kering Chairman and Chief Executive Officer and compo of top management, meets twice a year to assess strategy, approve financing, and guarantee sound management. It is supported by three committees with specific skills, including a committee of experts, responsible for facilitating the process of identifying and supporting partner organizations. The Fund's Executive Director is responsible for implementing the strategy, under the supervision of the Chief Sustainability and Institutional Affairs Officer.

### Initiatives to promote women in arts and culture, as well as supporting women in society

Kering's commitment to women is at the heart of the Group's priorities and through Women In Motion this includes arts and culture, where gender inequality remains staggering, despite creativity being one of the strongest vectors of change.

In 2015, Kering launched Women In Motion at the Cannes Film Festival to spotlight women in the world of cinema, both behind and in front of the camera. The program has since been extended to include photography, music, choreography, art, and design. The program awards prizes to inspiring personalities and young female talents and gives them the opportunity to share their views on how women are represented in their profession via talks and podcasts. Since its creation, Women In Motion has been a powerful forum to help change mindsets and rethink the role of women and their recognition in all artistic fields.

Indeed, the Group is committed to promoting gender equality everywhere, and to supporting the development of female talent in all its entities and at every level of its organization (see section 3.1.4).

## 3.3.4.2 Actions to protect women's rights in society

### Kering Foundation's actions to combat violence against women

#### Supporting specialist organizations

To support women victims of violence, Kering Foundation resources organizations that offer professional support adapted to each situation, in specific reception or accommodation facilities. In 2024, Kering Foundation funded: Together We Bake in the United States, *Fédération Nationale Solidarité Femmes* (FNSF) in France, *Donne in Rete contro la violenza* (D.i.Re) in Italy, Women's Aid in the United Kingdom, *Red Nacional de Refugios* (RNR) in Mexico and Korean Women Hot Line (KWHL) in South Korea. Kering Foundation has also historically partnered with the *Maison des femmes* de Saint-Denis, in France: a one-stop shop for women survivors of violence. Kering is committed to helping replicate this model by supporting the opening of 15 *Maisons des femmes* throughout France. In 2024, a new *Maison des femmes* was opened in Montpellier, bringing the total number of centers supported to date to seven.

Kering Foundation also combats violence by tackling root causes through the funding of prevention initiatives involving young people, which aim to change mindsets and promote gender equality. An example of this is the DOT project (Dream, Own, Tell) led by The New York City Alliance Against Sexual Assault, where youths co-create prevention campaigns to combat sexual violence in their own communities.

#### Engaging Kering and its ecosystem to create supportive work environments for survivors

Since 2011, Kering Foundation proposes training sessions on domestic violence for employees of Kering and its houses to get a better understanding of the issue, its impact on women and on the workplace, and how to support a colleague who is a victim of domestic violence. These workshops are led by specialist organizations such as *Fédération Nationale Solidarité Femmes* (FNSF), in France. E-learning modules which last 30 minutes are also available in seven languages.

#### Influencing new audiences and mobilizing other actors

Kering Foundation also mobilizes its network, namely other companies, to raise awareness regarding sexist and sexual violence and get more actors involved. Since 2021, Kering has been Champion of the Gender-Based Violence Action Coalition in the framework of the Generation Equality Forum led by UN Women. Indeed, Kering Foundation and OneInThreeWomen, a network of European companies mobilized to combat violence against women, co-created by the Foundation in 2018, have joined forces to convince 50 organizations from the private sector to adopt or implement policies and/or measures to combat violence against women by 2026. In 2024, 44 companies had already joined OneInThreeWomen.

Since 2022, Kering Foundation has organized an annual fundraising "Caring for Women" dinner in New York, to raise awareness about violence against women and raise funds for organizations. In 2024, 200 guests attended the dinner and almost three million dollars were raised for: National Network to End Domestic Violence (NNEDV), It's On Us and Girl Effect.

In 2024, as part of the expansion of its strategy, the Kering Foundation formalized its approach (Theory of Change), reflecting the contribution the Fund aims to provide to stop violence against women and children and the way it wants this change to materialize. Following the same logic, Kering Foundation has developed a new monitoring and evaluation process to get a clearer view of the impact its support has on organizations and people it supports and to identify where changes need to be made to improve the programs.

### Spotlighting women in arts and culture, and supporting women in society

In 2024, Kering supported several initiatives worldwide spotlighting women in arts and culture and several projects to support women in its supply chains, including:

- in the mining communities in Ghana in partnership with Solidaridad via initiatives including microloans, skills training, business development, and financial management to encourage women to create and manage their own economic activities;
- the Group supports cotton farmers via community education programs focusing on women's rights, health, safety, and access to education;
- Qeelin partners with different NGOs headed by women for women to raise awareness on issues such as endometriosis, menstruation, gender, and social constructions, breast cancer, and more recently women with disabilities;
- since 2015, as part of its Women In Motion program that spotlights talented women in arts and culture, Kering has focused on eight artistic fields, established more than 20 official partnerships, rewarded 16 iconic female personalities in cinema and photography (at the Cannes Film Festival and the Arles International Photo Festival), gave tangible support to 22 emerging talents, and launched the Women In Motion LAB. One hundred talks and events have been held, along with 38 podcasts. In 2024, the program supported nine initiatives promoting women in arts and culture.

## 3.3.4.3 Targets

The Group has not yet set targets regarding its performance in protecting women's rights in society. Nonetheless, Kering Foundation's targets are defined in a 5-year strategic plan, approved by its Board of Directors, detailing its roadmap for the period and setting the pace for its commitments.

# 3.4 S4 - Engaging with customers to craft tomorrow's luxury

Ensuring quality and safety is one of the main commitments of Kering and its houses, which also ensure to respect and protect their customers' personal data in accordance with current regulations. The responsibility of the Group and its houses towards their customers is also reflected in their commitment to transparency regarding the design of their products, be it in terms of the traceability of materials used or their environmental footprint.

The related impacts, risks and opportunities identified during the double materiality assessment are described in section 1.2.3 of this chapter.

## 3.4.1 Interests and views of customers

### 3.4.1.1 Analysis and interactions with the business model

The stakeholder mapping in section 1.1.2 sets out how the opinions, interests, and rights of customers are identified and taken into account in the elaboration of Kering's strategy and its multi-brand business model. Complementary with regards to their positioning, the Houses develop a distinctive identity and customer base, and strive to understand and meet the needs and expectations of their own customers, in accordance with their values and characteristics. "Customer" refers to end customers, consumer associations, influencers and retailers.

### 3.4.1.2 Process for customer engagement and remediation of negative impacts

#### Customer engagement

The houses build a close relationship with their customer base through various communication channels in order to adapt to their customers' preferences:

- direct interaction primarily taking place in stores and at points of sales, where sales advisors engage in personal exchanges with customers;
- one-to-one interactions initiated by customer advisors, taking into account customers' preferences, by telephone, SMS, email, WhatsApp or WeChat;
- one-to-many mass communications for each brand via means such as email, SMS/MMS/VMS, WeChat, KakaoTalk or Line, tailored to the specificities of each market;
- customers can also interact with the customer service department and engage with the Group's brands on social media.

Customer interaction takes place throughout the customer experience. For example, the houses collect information at the time of:

- registration or first purchase (name, contact details, communication preferences);
- visits to stores or websites (products bought or viewed);
- interaction with communications sent (opening, clicks);
- satisfaction surveys such as the Net Promoter Score (NPS) survey.

Each of the Group's houses develops its own emotional and creative universe through a number of channels and with specific strategies tailored to the various types of customers. On average, one customer receives 42 communications per year, although this figure varies depending on the house and the customer's purchasing frequency.

The houses assess the effectiveness of these interactions by measuring customer satisfaction and analyzing feedback received, which means they are permanently able to adjust their practices in order to maintain a relationship of trust with their customers. The Group provides its expertise and helps to enhance the customer experience, namely in digital channels.

#### Remediation of negative impacts

Kering is committed to upholding its customers' human rights in accordance with the United Nations Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, as incorporated into the Group's Code of Ethics. This commitment includes protecting consumer rights and increased vigilance regarding the impact of its products and services.

Through its houses, the Group designs and sells products and services that meet current standards and regulations in terms of quality, safety, and industrial and intellectual property, and provides transparent, reliable and high-quality information. It also ensures that its customers' data is protected and respects their rights to view, amend and delete these data.

Each house has its own customer service department to receive, escalate, and deal with any customer concerns or incidents. Kering and its houses pay attention to customer feedback, that is valuable for continuously improving products and the customer experience.

## 3.4.2 Personal data protection and cybersecurity

### 3.4.2.1 Personal data protection and cybersecurity policies

#### Personal data protection

As a leading name in the luxury sector, Kering is actively engaged in managing issues related to the protection of its customers' personal data, while also ensuring that it meets international and local standards concerning the protection of consumer rights. The Group's houses use customer data that may be highly sensitive, particularly in terms of reputation.

Personal data protection measures are set out in two complementary corpus of texts.

Firstly, the *Privacy Framework* is an internal document that involves the houses through the direct and formal participation of each CEO. It allows the implementation of a coherent worldwide strategy regarding personal data protection for Kering and all its houses. The framework, signed in 2021, includes a various policies such as a Governance Policy, a Policy for Managing Requests from Data Subjects, an Accountability Policy, an Audit and Confidentiality Policy, a Personal Data Breach Management Policy, a Training and Awareness Policy etc.

It can be accessed by all employees and consultants via the intranet and is available in French, English, Italian, and Chinese. It is due to be updated in 2025, with the following changes:

- extension of the material scope of application to include issues related to artificial intelligence and management of data access;
- adaptation to and consideration of the latest applicable personal data protection legislation.

Secondly, an external policy dedicated to all customer information (including prospects) is published on each house's website to ensure compliance with transparency and information obligations in relation to personal data.

This approach has been devised to anticipate and strengthen personal data management and align the rules of protection with the specific characteristics of the luxury industry, in view of (i) the need for the industry to reflect a high level of personalization in marketing (ii) major changes in the associated legislative framework and (iii) customers' higher level of expectation concerning protection of their personal data. Finally, the Group's confidentiality strategy aims to apply data protection laws according to the customers' country of residence. In doing so, Kering is able to anticipate changes in confidentiality legislation, which is becoming more and more customer-centric, allowing for the implementation of a data management strategy that complies with consumer law and rules on conflict of laws. This policy has been analyzed in the light of the main laws that apply to the Group in each of the countries in which it operates, and is translated into the languages used on the house's website. Finally, the policy can be accessed easily from the footer of each website in accordance with personal data protection authorities' recommendations and standards.

#### Cybersecurity

In addition to personal data protection, Kering has drawn up a cybersecurity strategy based on five main principles, with the aim of protecting IT systems from the main risks that could affect the availability, integrity or confidentiality of data relating to its activities. These five principles are based on the National Institute of Standards and Technology's NIST CSF 2.0 framework, offering a 360° approach to reduce threats targeting IT systems, the processes that allow for them to be used and the people who use them:

1. PREVENT, which aims to:
- make security incidents less likely by preventing vulnerabilities and reducing the attack surface,
- develop cyber culture throughout the company,
- maintain a cyber risk map and lead global cyber governance;

2. COMPLY, which aims to:
- ensure that the organization complies with industry regulations and standards, reducing the risk of legal consequences and reputational damage;

3. PROTECT, which aims to:
- implement measures to protect systems and data, reducing the impact of potential threats,
- manage all Kering and customer identities, as well as support platforms;

4. DETECT & REACT, which aims to:
- identify and respond to security incidents swiftly, minimizing how long an attacker can operate without being detected;

5. RECOVER, which aims to:
- prepare to restore systems and data to their normal operation following a catastrophe, minimizing lost time and the impact on activity,
- organize crisis management procedures for technological practices.

#### Governance and allocation of resources

The Group Privacy Officer is in charge of governance in relation to effective implementation of personal data protection, overseeing an active network of regional and local privacy officers (internal and external) in France, Italy, the United States, Brazil, mainland China, South Korea and Japan, and covering all the Group's activities.

For Kering, the Group Privacy Officer is the sole point of contact for any matters relating to privacy in accordance with EU regulations. This rule is applied worldwide in order to ensure consistency within the Group and the houses.

A formal report on associated activities, risks and challenges is submitted to the Audit Committee once a year.

The network is supported by an additional two functions:

- Each house has one or more Privacy Coordinators in charge of ensuring effective implementation of the Group's policies. In some cases, these Privacy Coordinators are accompanied by Data Protection Officers, as defined in EU regulations;
- A network of Privacy Assessors in charge of checking and ensuring the compliance of each project involving use of personal data.

In 2023, as part of a coordinated effort across Europe, France's Data Protection Authority (CNIL) checked governance on this matter within one of the Group's houses. The governance in place was considered as having the "resources necessary to carry out [its] tasks" (Article 38.2 of the GDPR).

The Group's cybersecurity is overseen by the Group Chief Information Security Officer (CISO), focusing on three main areas:

- the Group cybersecurity function and organization of activities in relation to the following priorities:
  - PREVENT & COMPLY under the Global Head of Governance, Risk and Compliance,
  - DETECT & REACT managed by the Computer Security Incident Response Team (CSIRT) SOC Global Manager,
  - PROTECT & RECOVER under the Head of Security Solutions, Identity and Continuity;
- cybersecurity at the various houses – particularly Gucci, which has its own CISO – is the direct responsibility of the Group CISO;
- it covers all the Group's activities around the world, with a dedicated Asia-Pacific unit as well as an Americas team.

This organizational structure allows for overarching management of the Group's cybersecurity. Progress is monitored and overseen by various committees:

- Group Cybersecurity Committees, which meet quarterly to monitor progress made in the annual cybersecurity plan, ensure that major incidents are dealt with appropriately and perform an annual review of targets in terms of reducing risk and allocation of human and financial resources;
- House Cybersecurity Committees, which meet quarterly to manage the operating security of information systems operated by each of the Group's houses;
- Group Risk Committee, which meets quarterly to oversee progress made and the results of the cybersecurity strategy, which are shared and discussed by members of the Executive Committee;
- Group Audit Committee, which each year looks at the results of matters requiring attention in relation to cybersecurity with Kering's directors.

## 3.4.2.2 Personal data protection and cybersecurity actions

### 3.4.2.2.1 Personal and data protection

**Process for identifying, remediating and managing the impacts on customers**

In accordance with the Accountability Policy, the Group takes a proactive approach to remediation in order to identify the potential or actual negative impacts on customers of the Group's houses. This approach is based on a rigorous assessment framework that includes ongoing monitoring mechanisms, regular consultations with stakeholders, and routine assessments of all projects involving the use of personal data. When a negative impact is detected, the teams carry out in-depth analysis to determine the appropriate response, which may be corrective or preventive.

An assessment checklist of 5 to 120 questions is used for impact analysis to define the technical and organizational measures needed to ensure effective protection of personal data from the project design stage.

The process was first introduced in 2021 and a new format was created in 2024 to simplify the process and incorporate new challenges relating to artificial intelligence and emerging legislation in this area.

611 analyses were performed in 2024 (compared with 546 in 2023), 162 of which indicated no risk related to personal data. 202 resulted in specific protective measures being implemented before the project entered the production stage. 39 projects underwent high-risk analysis in the form of a Data Protection Impact Assessment (DPIA), mainly due to the growing development of artificial intelligence technologies, which create specific risks.

Finally, the Group has worked extensively on knowledge management by means of a dedicated operational intranet covering all past decisions made by the Group Privacy Officers, making it possible to monitor and manage questions raised and handled, while ensuring appropriate geographical coverage and consistency over time.

**Contractual process for impacts on customers**

Within the framework of its business relationships with all its stakeholders, particularly its suppliers, Kering sets out specific contractual obligations concerning use of personal data. This ensures that the subcontractor provides sufficient guarantees that it has taken appropriate technical and organizational measures so that data is used in accordance with the General Data Protection Regulation (GDPR) and guarantees that the rights of the data subjects are protected.

This contractual commitment precisely sets out the subject matter and duration of the processing, its nature and purpose, the type of personal data concerned, the categories of data subjects involved and the obligations and rights of the controller. Finally, the subcontractor shall process personal data only on documented instructions from the controller, including specific measures regarding transfers of personal data to a third country or an international organization. The contract also stipulates that the subcontractor must take appropriate technical and organizational measures to guarantee a level of security suited to the risk.

To this end, Kering provides all its employees with a platform to access a model Data Processing Agreement (DPA) and all the appendices needed to formally set out their contractual commitments.

330 DPAs were finalized in 2024 (compared with 154 in 2023), and 305 are in the process of being finalized.

**Skills development**

To ensure that personal data protection is effectively taken into account, and in accordance with the Training and Awareness Policy, a number of training programs are provided.

Since 2021, each year, in collaboration with the Group's cybersecurity teams, a Privacy & Cybersecurity training program has been offered for all employees of Kering and its houses. The aim is to pass on essential information to all employees and train them in the ever-changing world of digital technology. 93.3% of employees took this training in 2024 (compared with 93.1% in 2023 and 92.7% in 2022).

It is now also offered to external consultants on a voluntary basis.

Privacy Officers provide ad hoc training directly for the Group's various internal stakeholders. Each training program is appropriately documented and a list of participants is kept. Since 2021, 38 different types of training programs have been provided.

**Transparency of privacy practices**

Over the last few years, the Group has paid particular attention to ensuring that its information is transparent. For example, in around 90% of customer profile creation interfaces, the information sent is specifically designed to the communication context according to the principle of layered information. This figure continues to rise.

**Customer rights**

Customers, like any "data subjects", have certain rights. In addition to the above-mentioned right to information, the various laws provide different rights that in some cases may differ from those provided by the GDPR.

These varying laws is taken into account not only in the Confidentiality Policy (see above), but also in the rights exercise form on each house's website. This is done via a dynamic form that takes account of the customer's country of residence and ensures that the exercising of rights is managed appropriately and in accordance with legal requirements.

The creation of a centralized team for handling these requests has significantly improved and simplified management of the rights of data subjects. This means that customers can submit their request through a dedicated email, a form available on each website, by letter or even to the employees of each house, whether in store or by contacting telephone support services or via social media.

A total of 4,424 requests were recorded in 2024 (compared with 3,376 in 2023), 42% of which relate to the deletion of data, 22% to the rectification of data and 10% to unsubscribe from marketing communications. Right of access requests accounted for only 1.5% of requests.

34% of requests were in the Americas, 21% in the APAC region and 45% in the EMEA region.

The average response time is four days.

#### 3.4.2.2.2 Cybersecurity

**Obsolescence of IT equipment and maintaining operational security**

The obsolescence management process launched in 2021 aims to guarantee the execution of the transformation plan for business applications and supporting infrastructures, ensuring that optimization of IT investment is balanced with making depreciated IT systems resilient to attacks.

In addition to ongoing measures to detect vulnerabilities, particular attention is paid to website security to prevent attacks that could affect the availability, integrity, and confidentiality of data used and stored by these systems.

**Expansion of the IT continuity testing scope**

Updated business impact analyses performed in 2024 enabled extended testing to simulate and validate the resilience of IT infrastructures in the event of a major disaster.

### 3.4.2.3 Targets

As part of its personal data protection and cybersecurity policy, Kering has set the following two targets on an internal basis:

| Title | Minimum of 85% of employees taking part in the annual e-learning program | Average response time of 4 days to customer requests to delete their data |
|---|---|---|
| Scope | Group employees | Group employees, customers and third parties |
| Target year | Annually | Annually |
| Key methodologies and key assumptions | Excluding all employees who do not have access to personal data (production sites) | N/A |
| Monitoring | PowerBI | Onetrust |
| 2024 Performance | 93.3% | 4 days |

## 3.4.3 Product footprint and transparency

### 3.4.3.1 Product footprint and transparency policies

#### High-quality products with a reduced environmental footprint

The Code of Ethics sets out the Group's commitment to designing and selling products and services that meet current standards and regulations in terms of quality and safety, and providing transparent, reliable and high-quality information. Kering has defined a set of quality and compliance control procedures that comply with the strictest international consumer health, safety, and environmental standards and regulations, such as REACH, US CPSIA, China GB Standards and Japan Industrial Standards (JIS).

The Product Compliance Advisory department aims to centralize services, for the purpose of advising and supporting the houses on product development and the various stages of production, including product testing protocols to ensure that products comply with the characteristics of each market. The department publishes the Product Restricted Substance List (PRSL), an internal document listing substances to be eliminated and thresholds not to be exceeded, as well as requirements in terms of product safety. To take into account the pace of technological development and progress in chemical research, the PRSL is updated at least once a year. In particular, it has specific modules for products that are intended for children, regarding both the management of chemical substances and safety.

The Create pillar of the 2025 Sustainability Strategy lays the foundation for Kering's sustainable innovation strategy, in connection with its Circularity Ambition (see section 2.5.1) to improve product quality and reduce the environmental footprint of products at each stage of the value chain (see section 2. Environmental Information).

Within the Kering Standards, the Guidance for innovation covers new technologies and processing and manufacturing solutions, as well as new materials that may be added to or replace existing conventional materials. This needs to be a new technology or product that is more sustainable than existing options, with a reduced environmental impact that puts less pressure on natural resources.

Thus, Kering works with an ecosystem of innovation players to stimulate disruptive innovation, transform traditional production processes and encourage the widespread adoption of practices and materials with a lower environmental impact, while the houses develop their own initiatives in relation to their activities and priorities.

#### Transparency towards customers regarding products' environmental footprint

The Kering Standards lay down the Group's requirements in terms of houses' raw materials traceability (see section 2. Environmental Information). Kering has also published Guidance for sustainability claims as part of the Kering Standards, to avoid any risk of potential greenwashing statements. The guide sets out the kind of information that should be provided. According to best practice guides on environmental claims, for a claim to be fully responsible and trustworthy it must be true and relevant, clear and unambiguous, fair and without exaggeration, substantiated and verifiable, not over-using visual natural or nature-like elements, and putting forward certifications properly. A practical guide for the houses' internal use (the "Kering Anti-Greenwashing Guidelines") was finalized in 2024.

### 3.4.3.2 Actions to improve product footprint and transparency

#### High-quality products with a reduced environmental footprint

The Product Compliance Advisory department continued its activities in 2024 with the following aims:

- strengthen compliance controls: regular audits of product compliance were conducted at warehouses, stores, and the e-commerce platform together with the houses to detect potential non-compliance. Relationships with accredited laboratories for testing and measurement were maintained to cover the growing number of non-core products (food contact materials, toys, electrical/electronic devices);
- improve knowledge-sharing on product compliance processes: training programs were strengthened and extended to all key departments (Product development, Production, Quality, and Purchasing), from raw materials to production (leather, fabric and metal accessories) and testing (TIL visits). In 2024, around 15 training sessions on production processes, compliance requirements, and related tests and checks were organized, attended by over 350 employees. In June 2024, the Product Compliance Advisory department organized a three-day live seminar with training on key compliance topics, attended by more than 97 employees from all the Group's houses;
- support the Product development teams: in collaboration with the Chinese authorities, product-specific standards have been established for Kering's houses. These standards relate in particular to handbags, wallets, shoes and belts, and set out requirements relating to chemical products for unregulated categories. They enable the development of products meeting all requirements in terms of health, safety and compliance, while leaving the houses' creative teams significant scope to follow their inspiration;
- all the houses also have a "product" crisis management unit. In the event of a known risk, they follow procedures ensuring that immediate and transparent information is provided to the public, as well as the recall of defective products. The Group has also taken out civil liability insurance to cover injury or damage to property caused to third parties by products considered to be faulty. In addition, the houses have their own quality control systems and customer feedback channels.

Test & Innovation Lab (TIL) in Prato, Italy, was acquired by Kering in 2021. The IDO/IEC 17025-certified laboratory has 270 accredited test protocols to help the houses (and external customers) carry out performance tests and chemical tests, with 250,000 tests performed in 2024. TIL extended its ZDHC accreditation in 2024 to include wastewater testing and further developed its expertise in PFAS testing. The laboratory has acquired a new scanning electron microscope (SEM) for more precise analysis of materials, as well as new equipment to test the performance of finished products and innovative technologies to check the durability of finished products and their components. TIL also provides analysis of cotton fabrics to trace their origin. This testing method is strategic for companies seeking to determine the geographic origin of materials used in their products, in the light of the US Customs and Border Protection (CBP) requirement for supply chain traceability for cotton items in order to manage global trade fraud risks.

Finally, Kering and its houses endeavor to reduce their impact on nature by making greater use in their collections of materials promoting the circular economy (see section 2.5) and regenerative agriculture (see section 2.4). Green chemistry processes – in particular for leather goods and cosmetics – reduce the use of substances of concern while also maintaining Kering's quality standards and requirements (see section 2.2.2). The actions of the Group and its houses, as well as those of the MIL and JIL in terms of innovation and external collaborations, are described in section 2.5.1.2.

### Transparency towards customers regarding products' environmental footprint

The overall level of traceability of raw materials is consolidated annually through the EP&L tool by collecting information regarding purchasing volumes (see section 2.4.3.2). The level of traceability required by type of material has been set on the basis of a risk matrix for each type of raw material, as well as the level of transparency achievable by the market. The origin of raw materials is established by supplier declarations and must be supplemented wherever possible by specific protocols including certification and verification by the houses. The houses are trialing various technologies to ensure traceability from the extraction of raw materials to the intermediate production stages and then into their own operations and their own stores. These technologies include RFID and NFC chips, blockchain, mechanical marking of hides, forensic technology etc., such as:

- the TextileGenesis platform implemented by Saint Laurent and Balenciaga, which provides supply chain traceability for textile materials from the finished product back to the farm. The rollout of this tool continued in 2024 to include more products and categories. Brioni has launched an initial pilot version of this platform;
- Kering Eyewear's Virtus project: a data exchange platform based on blockchain technology to measure environmental impact of its supply chain and check that each link within the chain adheres to the quality standards and environmental, social and ethical practices set by the house;
- Alexander McQueen has also developed and successfully launched a platform to simplify the data collection process for its suppliers, improving the quality and accuracy of data relating to materials purchased and their supply chain.

In accordance with Regulation (EU) 2017/821 on conflict minerals, Kering publishes an annual statement setting out the measures taken to ensure responsible sourcing of certain minerals, in particular gold.

In 2024, Kering set up an in-house working group made up of representatives of the Sustainability and Legal departments of Kering and its houses to understand the current and future legislative framework concerning products, packaging and sales. This group focuses in particular on the French Anti-Waste and Circular Economy Law (AGEC), Climate Law, deforestation, future EU regulations (ECD, SGCD, ESPR, EUDR), eco-labeling, and ensures that the Group's entities comply with current legislation. Within this framework, the Group is also preparing to adapt its IT systems in order to improve the quality of data related to the traceability of products and transparent communication with customers.

In addition, Kering takes part in methodological work regarding environmental labeling to consumers, particularly via the work group with the Federation de la Haute Couture et de la Mode (FHCM) in the context of the European PEF (Product Environmental Footprint) project and the AGEC law. In 2022, preparations for the implementation of Article 13 of AGEC law included developing a data collection system in order to display environmental information to customers at the time of purchase. The information provided at the time of purchase and by brands on their websites includes the content of recycled materials in the products and packaging, their recyclability and the traceability of materials. In 2024, only Gucci, Saint Laurent, Alexander McQueen, Bottega Veneta and Balenciaga were concerned by this regulation.

In addition, the houses have their own initiatives to provide their customers with clear, accurate and reliable information regarding the characteristics of their products and sustainability. For example, several houses provide specific training for their retail teams, such as Balenciaga (Retail Training App), Gucci (Guccipedia), Saint Laurent (E-Université), Alexander McQueen (Responsible Materials training) and Brioni (My Brioni app). Kering Eyewear has developed a guide for its retail teams in order to respond to consumer requests as effectively as possible, including details about the sustainable materials used in its products.

Finally, Kering and its houses have also developed a variety of initiatives to improve traceability and transparency regarding the origin of their materials:

- Leather: in 2024, Kering stepped up its efforts to improve the traceability of skins, most of which come from Europe. This includes detailed mapping of its supply chain, which has allowed it to identify 547 slaughterhouses. Kering also launched a collaboration with ICEC in 2024 to create a tool for for the complete mapping of slaughterhouses (see section 4.3.2). Finally, to meet the requirements of the upcoming EU Deforestation Regulation (EUDR), the Group's leather suppliers are preparing to ensure full traceability of bovine leather within their operations;
- Gold: the Group's houses source gold via the Kering Precious Metals Platform (PMP), which allows for centralized sourcing of gold and other precious metals in an ethical, responsible and transparent way. This has enabled Kering to draw up a list of accredited refiners that have been selected, vetted, and audited by the Group. Sourcing options available via the PMP include gold that is Fairmined or Fairtrade certified, from small-scale mines whose practices have been verified by the Group, 100% recycled from electronic or jewelry waste, and RJC Chain- of-Custody (CoC) certified. For all gold bought via the PMP, the houses pay a premium that goes toward a fund to support responsible gold producers and to contribute to their growth by supporting mining communities. Each year, a committee composed of representatives of Kering and its houses selects projects to be supported for the benefit of mining communities and offering social and environmental benefits;
- Diamonds: Kering works with its suppliers to ensure that all diamonds used in its products comply with the Kimberley process, which aims to guarantee the legality of trade in the international market, to prevent it from financing armed rebel conflicts. The Group's houses map risks in the regions from which diamonds originate. As of 2022, the Group no longer sources diamonds from Russia. As part of the Kering Standards, Kering has also worked with its houses to roll out guidelines and best practices on the traceability and sourcing of diamonds. For example, Boucheron sources diamonds from RJC CoP-certified suppliers and follows the recommendations of the World Diamond Council System of Warranties. Boucheron and Qeelin use Sarine technology to ensure the traceability of diamonds. 100% of solitaires in Boucheron's *Étoile de Paris* collection and 100% of 1-carat diamonds in Qeelin's engagement ring collection can be traced using this technology.

### 3.4.3.3 Targets

| Title | 100% traceability of raw materials back to the country of origin [1] |
|---|---|
| Scope | Raw materials covered by the Kering Standards |
| Baseline year and value | N/A |
| Target year | 2025 |
| Methodologies and key assumptions | Kering Standards |
| Monitoring | EP&L |
| 2024 Performance | 95% |

[1] Traceability up until the slaughterhouse for leather.

## 3.4.4 Responsible marketing and communication

### 3.4.4.1 Responsible marketing and communication policies

Conducting effective and responsible communication and marketing activities is essential for building trust with stakeholders and fostering sustainable relationships. For this reason, Kering strives to communicate in an ethical and transparent manner across all channels.

A policy and a set of internal guidelines have been developed and are implemented with the support of a robust internal control framework. They detail key principles, golden rules and processes to be implemented in every house and throughout the Group.

### 3.4.4.2 Marketing and responsible communication initiatives

To ensure that communications comply with these principles at Group level and within each house, a Brand Trust function was created in 2023, tasked with reviewing and making recommendations to the houses regarding their content and marketing and communications activities, and to help them assess risks.

Brand Trust must be consulted for advertising campaigns that touch on one or more sensitive topics identified internally, for all fashion shows and upon request for ad hoc requests.

### 3.4.4.3 Targets

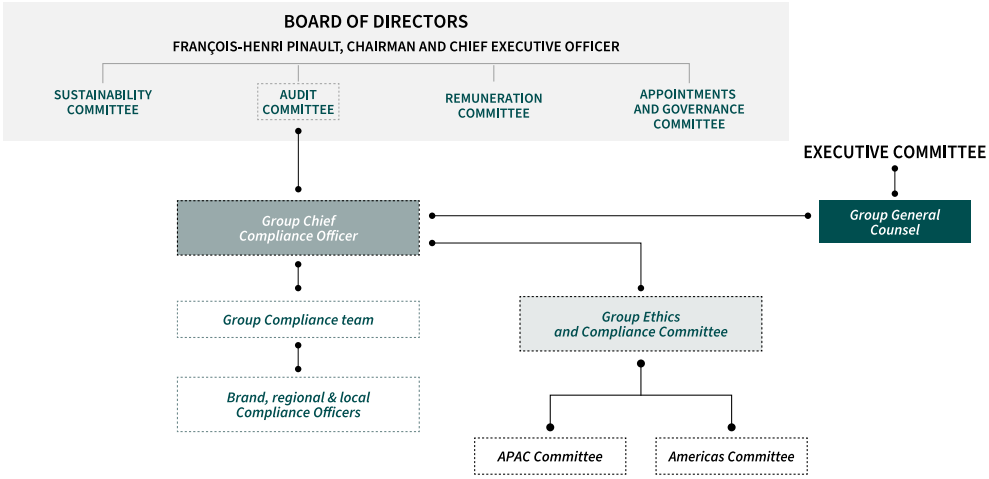
The Group has not yet set targets and performance indicators regarding responsible marketing practices.

# 4 - G1 - GOVERNANCE INFORMATION

## 4.1 Business conduct: Ethics, the foundation of the Group's operations

The impacts, risks and opportunities related to business conduct identified during the double materiality assessment are described in section 1.2.3 of this chapter.

### 4.1.1 Governance and organization of ethics and compliance




#### Board of Directors

Through its Audit Committee, the Board of Directors is directly involved in the governance of the actions taken by Kering in terms of ethics and compliance. The Audit Committee oversees the definition and implementation of appropriate policies, ensuring that they are relevant and effective. As part of its duties, the Audit Committee oversees:

- the monitoring of risk maps in relation to human rights, duty of care and anti-corruption, as well as the findings of the corresponding audits;
- the risk management and associated action plans in connection with human rights and duty of care, as well as anti-corruption, anti-money laundering (AML) and anti-competitive practices;
- the performance metrics used to assess the solidity and effectiveness of the compliance program and ethics procedures, such as the use of the whistleblowing mechanism and the results of the employee training program.

Each year, the Group Chief Compliance Officer presents the Audit Committee with a detailed review of the implementation of the compliance program within the Group, as well as on the whistleblowing mechanism on unethical conduct in relation to ethics and compliance matters. The Committee then reports on its work to the Board of Directors.

The Remuneration Committee can also suggest to the Board of Directors that it incorporate performance criteria into the variable components of remuneration paid to executive corporate officers in order to promote and enhance the effectiveness of the compliance program and ethics procedures, while also encouraging complete support of the Group's commitments in these areas. The Remuneration Committee then assesses the extent to which these targets have been achieved on the basis of concrete actions and measures.

The work done by the Board of Directors and its Committees in 2024 is described in chapter 3, section 3.4.1 of this Document.

Ten out of thirteen Board members hold or have held executive positions within major companies, as a result of which they understand and incorporate management of these considerations into their strategic and operating responsibilities. Details of each Board member's areas of expertise are provided in chapter 3, section 2.3.3 of this Document, and illustrated in their biographies in section 2.1.

#### Operational governance and organization

Compliance is centered on the Group Chief Compliance Officer, who reports to the Audit Committee, which helps ensure the independence required of this role. The Group Chief Compliance Officer also has direct access to the Chairman and Chief Executive Officer and does not hold any other position, so is fully focused on this role.

To ensure the day-to-day monitoring and effectiveness of the Compliance program, the Group Chief Compliance Officer is supported by a team of eight legal compliance experts working in Paris, New York, Singapore and Shanghai, as well as a network of Brand Compliance Officers appointed by the houses' CEOs, and a network of Regional and Local Compliance Officers for each house. At some houses, there are compliance managers in addition to the Brand and Local Compliance Officers. As a general rule, the positions held by the Compliance Officers in parallel with their compliance duties are sufficiently high-ranking to ensure they have the necessary authority and independence.

The compliance program is ultimately the responsibility of the Chairman and Chief Executive Officer of Kering SA. François-Henri Pinault is involved personally in developing and implementing the Compliance program within Kering and its houses, both internally and externally. He is supported by Jean-Marc Duplaix in his capacity as Deputy CEO and Chief Operating Officer, and supported by the houses' CEOs, who are also personally involved in the development and implementation of the compliance program.

## 4.1.2 Business conduct policies and corporate culture

Kering aims to make ethics and compliance the center of its business conduct, and this message is conveyed at the highest level by the Chairman and Chief Executive Officer. This major and binding commitment helps foster the trust of customers, employees, shareholders and business partners.

### 4.1.2.1 Ethics, fraud and corruption policies

Kering has introduced ethics and compliance policies that aim to promote the principle of integrity and implement it on an operating level within the Group's activities, and day-to-day among its employees and suppliers. These policies are set out in a number of documents, primarily the Code of Ethics, which details the main founding and universal principles that apply to all Kering employees at all houses and in all countries. The key principles are then detailed and implemented within specific policies and procedures that can address particular local requirements.

#### Kering's Code of Ethics

The Code of Ethics is the cornerstone of Kering's commitments in terms of ethics and compliance, and formally sets out the Group's commitment as regards business conduct with the intention of providing a formal basis for the "zero tolerance" policy toward corruption and influence peddling of any kind. It also stipulates the need to avoid conflicts of interest, any risk of which must be promptly identified and resolved, as well as employees' duty to act with integrity, loyalty and a sense of responsibility toward all stakeholders. The Code aims to reassert the Group's commitment to upholding the human rights of its employees and everyone working in its supply chains who contributes to value creation. Lastly, the Code fleshes out Kering's commitment to the environment and its role as a responsible company.

#### Compliance Program

The aim of the compliance program is to prevent the risks identified within the framework of the risk map, based on three main priorities: (i) creation of a network of compliance officers; (ii) implementation of policies and procedures applicable to the various compliance issues; and (iii) rolling out an appropriate training program.

Governance of the compliance program and the associated policies is explained in section 4.1.1.

In accordance with France's Sapin II law, corruption and influence-peddling risks were mapped out in 2019 and this map has been updated regularly since, in order to periodically reassess the risks. This risk map is the result of an objective analysis of the corruption risks associated with Kering's activities and for each of the relevant activities and departments of the houses around the world (i.e. teams in charge of Real estate, Institutional relations, Human resources and Purchasing). The corruption and influence-peddling risks associated with potential corruption scenarios were rated and ranked in the aforementioned risk map according to their severity, frequency and potential aggravating factors.

The action plan resulting from this analysis serves to define the prevention and detection measures to be put in place. Within this framework, second-tier compliance checks have been performed on- and off-site by the Group's Compliance department.

In addition, a map of the risks relating to human rights, health and safety, and the environment in accordance with the law on duty of care is updated each year. For more information (see chapter 5, section 3.2).

All the following policies that make up the compliance program can be accessed by all Group employees on the Group's internal network.

**i. Anti-Corruption Policy**

The anti-corruption policy, which was updated in 2019, identifies prohibited behavior and sets out guidelines enabling employees to detect cases of corruption and report them to management.

The anti-corruption compliance program in place within Kering and its houses meets the requirements of international standards, and more particularly the eight pillars required under Article 17 of the Sapin II law. The Group Chief Compliance Officer attends at least one meeting of the Audit Committee each year to report to its members on the status of the compliance program and its implementation. The Audit Committee ensures that compliance risks are sufficiently mitigated and that the Compliance Officers have the appropriate resources. The Chairman and Chief Executive Officer and the Deputy CEO and Chief Operating Officer also meet regularly with the Group Chief Compliance Officer.

**ii. Anti-money Laundering Policy**

In 2021, Kering adopted and implemented a Group Policy (the "AML Policy") to reduce money-laundering risks and strengthen its controls in this area. The latest update of this policy was issued in June 2024, and it defines rules for carrying out checks relating to the houses' selling activities, online and in store "for certain transactions considered at-risk".

**iii. Sanctions Policy**

In line with its commitments, the Group seeks to act in full compliance with the laws and regulations applicable to it, including those regarding economic sanctions and export controls, which have been significantly reinforced by certain jurisdictions because of the armed conflict between Russia and Ukraine. To prevent non-compliance risks, a specific Sanctions Policy was adopted and deployed by the Group in 2016, which is updated as necessary or whenever sanctions regulations are revised.

**iv. Human Rights Policy**

Kering's Human Rights Policy covers all of its operations and supply chain, and brings together its commitments to respect human rights as set out in its Code of Ethics for Kering employees, those working in its supply chain (employees of business partners, suppliers and subcontractors) and local communities.

The Group General Counsel is responsible for approving this policy and monitoring its implementation. The Compliance department is responsible for drafting the policy and overseeing its implementation, as well as its effective rollout within the Group. In this regard, the Compliance department is kept informed of relevant initiatives and coordinates the efforts of the departments concerned at the level of the Group and the houses, namely Human resources (including the Inclusion & Diversity department that reports to it), Sustainability, Internal audit and Security, as well as employee representative bodies.

**v. Policies related to competition**

Over the past several years, the Group has implemented policies and guidelines concerning competition law, which lay down the principles and rules of conduct employees have to abide by to comply with the applicable rules. These policies and guidelines can be accessed by all employees. A specific unit reporting to the Compliance department is responsible for their rollout and monitors their enforcement, and training is provided for the relevant employees.

### 4.1.2.2 Whistleblower protection policies

As part of its commitments relating to business ethics and risk prevention, Kering's Compliance department worked in collaboration with the Human resources department on a whistleblowing mechanism in accordance with the French law on the Duty of Care (No. 2017-399), the Sapin II law and the requirements of the Waserman law (No. 2022-401).

To manage alerts that fall within the scope of the ethics and compliance program, the Group and Europe/Middle East Ethics and Compliance Committee is chaired by the Group Chief Compliance Officer. This Committee is supported on a regional level by two other regional Ethics and Compliance Committees (Asia-Pacific and Americas). These three committees are made up of members of the Group Compliance department, as well as members of other departments within the houses who are selected on the basis of their seniority, expertise and impartiality. As they are independent, these Committees are able to investigate allegations that fall within their scope. These Committees focus on three main areas:

- ensuring that the Code of Ethics is effectively communicated to all Group employees;
- proposing appropriate updates to the Code and on the implementation of appropriate behavior and practices;
- managing and processing alerts received as part of the Kering whistleblowing system.

Alerts can be made by:

- current or former employees, regardless of their status (full-time or part-time, permanent or temporary), including external and occasional employees (temporary workers, interns, apprentices) and people who have applied for a job, where information has been obtained within the framework of their application;
- shareholders, partners and holders of voting rights at Kering's Annual General Meeting;
- members of the administrative, management or supervisory body of a Kering entity;
- other contracting parties of a Kering entity, their subcontractors or – in the case of legal persons – members of the administrative, management or supervisory body of these other contracting parties and subcontractors, as well as their employees.

The alert system allows for reports to be raised internally and confidentially via two channels: to the person's direct or indirect manager, employee representatives or members of the local compliance network (Local Compliance Officers and Brand Compliance Officers), or centrally to the regional Ethics and Compliance Committees, which can be contacted by email or through an independent external hotline that can take calls 24/7 in around 40 languages.

Facts that may be investigated as part of this procedure relate to:

- a criminal offense;
- a breach or an attempt to conceal a breach of (i) an international commitment ratified or approved by France or a unilateral instrument of an international organization adopted on the basis of such a commitment, (ii) European Union law or (iii) of any other law or regulation;
- a threat or harm to the general interest;
- serious infringement or a risk of serious infringement of the human rights or fundamental freedoms, health and safety of people or the environment;
- retaliation, sanctions or pressure as a result of having reported an incident or having been involved in dealing with it;
- conduct or a situation contrary to Kering's Code of Ethics and/or one of its associated policies and procedures.

Reports that meet the above conditions must also be reported:

- by an individual who is personally aware of the incident or to whom the incident was reported within the framework of their professional activity or of which they are personally aware outside the scope of their professional activities;
- with no direct financial compensation;
- in good faith, which means that the person making the report provides information in a truthful manner that they believe to be complete, reliable and accurate, allowing them to reasonably believe that the information reported is true, even if it later emerges that the facts reported prove to be inaccurate or incorrect.

Subject to these conditions, Kering undertakes to protect whistleblowers. If whistleblowers are subject to pressure, sanctions or retaliation, they should inform the Group Ethics and Compliance Committee immediately.

After a report is assessed on a case-by-case basis to confirm whether it is admissible, an internal investigation may be carried out internally, in strict confidentiality and avoiding any conflicts of interest between the people conducting the inquiry and the people against whom the allegations have been made. Depending on the type of allegations made, investigations can be carried out either internally or by external independent firms that specialize in the subjects concerned.

Employees are reminded regularly of how to access the whistleblowing system in key documents such as the Code of Ethics and the Human Rights Policy, as well as during annual Ethics and Compliance training.

Kering has also incorporated into some of its policies applicable to suppliers and their subcontractors, that having an internal grievance mechanism for their own employees aligned with the criteria set out in Principle 31 of the United Nations' Guiding Principles on Business and Human Rights, is considered best practice.

## 4.1.3 Actions relating to the promotion and observance of ethics rules and whistleblower protection

### 4.1.3.1 Actions relating to the promotion of ethics and observance of compliance rules, internally and externally

**Training program**

Based on the regularly updated findings of the risk mapping exercise carried out in accordance with the Sapin II law, an annual awareness and training program has been set up under the leadership of the Compliance department.

Targeted training is provided for jobs most exposed to corruption and influence-peddling risks as identified in the risk map, namely teams in charge of Real estate, Institutional relations, Human resources, and Purchasing. In 2024, Kering's Compliance department provided in-person training for more than 3,374 employees worldwide on the Group's Anti-Corruption Policy (in addition to the annual e-learning program for all Group employees).

Training on the application of the AML policy is provided by the Compliance department throughout the year, with 1,900 employees worldwide trained in 2024.

In addition, each employee is reminded by the managing body every year of the imperative need for business conduct to be honest, ethical and transparent. During the annual Ethics and Compliance e-learning program introduced by François-Henri Pinault and conveyed by members of the Executive Committee and the Chairs and CEOs of the houses, each employee was shown practical case studies relevant to their business sector and reminded of what is expected of them in terms of compliance, including prevention of corruption as well as human rights and business ethics. This e-learning course was taken by 98% of employees in 2024. Members of the Executive Committee and Chairs and CEOs of the houses took the e-learning course in 2024.

### 4.1.3.2 Actions relating to whistleblower protection

As part of the annual Ethics and Compliance e-learning program (see above), all Group employees are reminded of how to access Kering's whistleblowing system, as well as the protections given to whistleblowers.

Since 2020, Kering has undertaken an extensive communication campaign targeted at the employees of its direct suppliers about its whistleblowing mechanism. The campaign which has been translated into 15 languages takes two forms: (i) a poster displayed in relevant locations at supplier and service provider sites, to maximize visibility (cafeteria, locker rooms, site entrance, etc.) and (ii) a flyer to be distributed directly to employees, reminding them how to access the system and the protections provided.

## 4.1.4 Targets and performance indicators

Kering has set itself the target of reminding more than 90% of its employees about the mechanism each year.

### 4.1.4.1 Confirmed corruption incidents

Kering was not subject to any convictions or fines for corruption in 2024. In the event of a confirmed instance of corruption, any breach of the Group's anti-corruption procedures would result in disciplinary measures and appropriate remedial action.

### 4.1.4.2 Key figures on reports to the ethics and conformity Committes

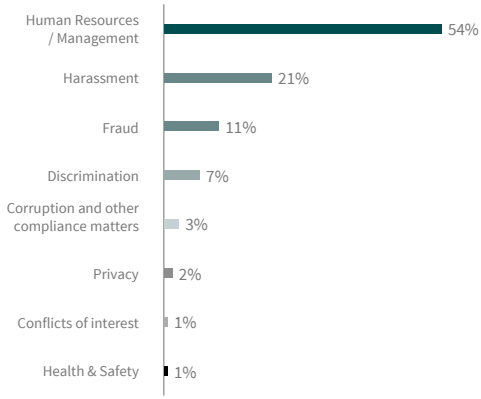
The Kering's Ethics and Compliance Committees (Group and Europe, APAC and Americas) received 116 reports in 2024, 98 were deemed to meet the legal criteria for whistleblowing alerts. Of those 98 alerts, 93 were from Group employees and 74% had been investigated or were still under investigation as of December 31, 2024, and 18 violations were identified.

Of these 98 alerts, 76% were received by the Committees by email and 24% through the Group's ethics hotline. 41% were submitted anonymously.

Following investigations, if a violation is identified, corrective or remediation measures are taken, such as training, warnings, dismissals or updating of the policy. For example, after discriminatory comments in an email were established, the manager responsible was given a warning.

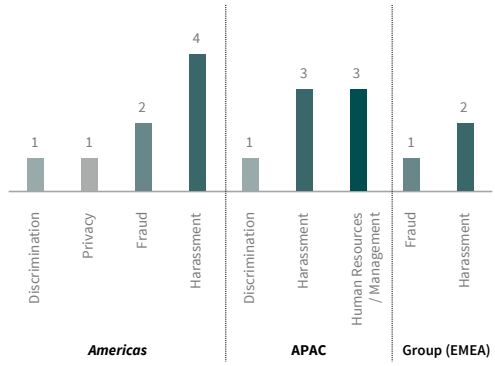
Each year, as part of the Group Chief Compliance Officer's annual reporting, various figures are shared with members of the Board of Directors' Audit Committee as well as the Chairman and Chief Executive Officer and the Deputy CEO and Chief Operating Officer.

**Breakdown of alerts by category**




**Breakdown of alerts by region**

**Breakdown of the 18 identified violations of the Code of Ethics by region and category**




## 4.2 Responsible procurement and supplier relationships

The impacts, risks and opportunities related to sustainable supplier relationships identified during the double materiality assessment are described in section 1.2.3 of this chapter.

### 4.2.1 Sustainable procurement and supplier relationships policies

The Group's general approach to sustainable sourcing, which aims to create a lasting and responsible supply chain, is based on the key principles defined in its Suppliers' Charter (included in the Code of Ethics, see section 3. Social information) and the Sustainability Principles for suppliers (see section 2. Environmental information). In addition, the Kering Standards lay down the Group's requirements for sustainable procurement (see section 2. Environmental information).

Direct purchases such as materials, finished products and equipment are managed through contractual agreement by the houses. The houses are responsible for identifying and assessing suppliers, establishing a contractual framework for the business relationship and monitoring it. They also ensure that suppliers adhere to the Code of Ethics, the Sustainability Principles, and the Kering Standards.

Furthermore, regarding indirect purchases, Kering's Procurement department – under the operating responsibility of the Group Operations Director – has introduced an Indirect Procurement Policy to be implemented across the entire Group, including the houses, to guarantee a transparent, fair, and long-term relationship with its suppliers.

These principles are applied at each stage of the supplier selection process up to contract signing. Bids received are analyzed according to specific criteria to select suppliers on the basis of:

- the company's compliance and financial health;
- technical and operational capabilities;
- financial offering;
- CSR criteria checklist;
- assessment of the contractual response, if applicable.

The Indirect Procurement Policy and contracts with suppliers include specific clauses to guarantee payment times in accordance with local regulations.

For example, in France, Kering complies with Article L. 441-10-I of the French Commercial Code, i.e.:

- 60 days from the date the invoice is sent;
- 45 days after the end of the month the invoice is sent, provided that this has been expressly stipulated in the contract and does not constitute a clear abuse of the creditor's rights;
- 45 days after the invoice is sent for periodical invoices (i.e. if the supplier makes several deliveries during the month and issues one invoice for all deliveries at the end of the month).

Payment times are monitored by the finance departments of each house and the Group through financial reporting tools, at a frequency determined by each finance department.

The Group has also been a signatory to the French Ministry of the Economy and Finance's Responsible Supplier Relations and Responsible Purchasing Charter since 2014. This charter helps build a balanced and sustainable relationship between signatories and their suppliers.

### 4.2.2 Sustainable procurement and supplier relationships actions

#### Monitoring and assessing suppliers' sustainability performance

Since 2020, Kering has been using an online supplier portal (Vendor Portal). This tool enables the collection of social and environmental performance information from strategic suppliers (representing 84% of purchase volumes in 2024) and facilitates information sharing. The data collected through this portal is complied and reviewed for consistency by the internal teams in charge. Since 2024, it has also been audited by an external service provider. Strategic suppliers are evaluated through questionnaires on their environmental and social performance and the management of chemical substances. In 2024, the majority of strategic suppliers answered to the 3 questionnaires, representing 85% of the purchase volumes made with strategic suppliers.

Suppliers compliance is verified by ADIT once suppliers are included in the Group's ERP database. Worldcheck is used to verify suppliers before they are added to the database by procurement teams for indirect purchases and by the houses for direct purchases.

#### Awareness and capacity building

Kering helps its suppliers by means of continuous improvement, training and awareness-raising programs to develop responsible supply chains and improve suppliers' environmental and social performance. The key initiatives include:

- the Clean by Design program (see section 2. Environmental information);
- the Material Innovation Lab (MIL) supports almost 100 of the Group's suppliers by helping them with their ecological transition, in particular by contributing to research and development costs for new materials;
- Kering Eyewear has also provided training on its Virtus blockchain system to 41 of its suppliers (six in 2024);
- specific training regarding ISCC Plus certification was also organized for all relevant Kering Eyewear suppliers;
- the Sviluppo Filiere program launched by Gucci in 2020 in collaboration with IntesaSanpaolo bank continued in 2024.

In addition, some types of suppliers are also offered training to:

- raise their awareness regarding Kering's sustainability initiatives so that they understand new practices (such as the Regenerative Fund for Nature and regenerative agricultural practices);
- enhance their management of chemicals used in the luxury industry, with training on the MRSL and the ZDHC program (see section 2.2).

These initiatives illustrate Kering's commitment to helping its suppliers as part of a long-term and collaborative approach. Actions relating to working conditions and human rights in the supply chain are described in section 3.2.3.

### 4.2.3 Targets and performance indicators

Kering has not yet set any specific targets regarding supplier relationships but remains committed to adhering to statutory payment times in each country in which it operates. Owing to the decentralization of a number of data to the houses, Kering is unable to publish data on payment terms.

## 4.3 Animal welfare

The impacts, risks and opportunities related to animal welfare identified during the double materiality assessment are described in section 1.2.3 of this chapter.

### 4.3.1 Animal welfare policies

Kering believes that the products developed by its houses must meet the highest standards in terms of animal welfare. In 2019, Kering published its Animal Welfare Standards, which set out its requirements concerning the treatment of animals to ensure optimum treatment of all species in the Group's supply chain, while also taking account of stakeholders' expectations. The standards highlight the specific challenges for each species, laying down rearing, transportation and slaughtering requirements, and provide the list of existing certifications serving as benchmarks. In 2021, these standards were updated to reflect changes in practices and experience gained during visits and assessments within value chains. Developed with input from animal welfare experts, farmers and breeders, scientists and NGOs such as the Royal Society for the Prevention of Cruelty to Animals (RSPCA), Compassion in World Farming (CIWF), Welfarm and French charity *Œuvre d'Assistance aux Bêtes d'Abattoir*s (OABA), the standards are based on the latest scientific research, as well as prevailing regulations and best practices.

Kering has made the decision to stop using animal fur. None of the Group's houses has used fur since the Fall 2022 collections.

Kering's Chief Sustainability and Institutional Affairs Officer, who is a member of the Group's Executive Committee and reports directly to Kering's Chairman and Chief Executive Officer, is responsible for implementing and overseeing the Animal Welfare Standards.

## 4.3.2 Animal welfare actions

There are two main courses of action throughout the year:

- Due diligence procedures to assess whether animal welfare certification systems and standards recognized by third parties are available. If this is not the case, a specific assessment is carried out and action plans are established to guarantee compliance with the Group's standards;
- On-site assessments are conducted if there is no recognized certification system. Specific assessment protocols have been developed describing how to measure suppliers' compliance with these standards. These protocols cover livestock rearing, transportation and slaughter conditions, as well as broader criteria such as farms' environmental performance and their impact on local communities. In 2024, monitoring and verification of compliance with these standards focused on leather and precious skins. A country-by-country risk assessment is in place:
  - for leather, primarily on the basis of the index produced by the NGO World Animal Protection (risks inherent to each country in terms of animal welfare, based on indicators such as the prevailing legislation and existing voluntary commitments),
  - for precious skins, species by species, on the basis of a series of criteria relating to compliance with the CITES convention, the legality of trade, the risks to the conservation of wild species and their habitat, animal welfare practices in accordance with Kering's standards and traceability.

This risk analysis is then cross-checked against procurement volumes for each material to establish an action plan, which is reviewed each year.

Kering ensures that all products of animal origin declared to be of certified origin come from certified facilities and supply chains. For leather in particular, the Group has been working since 2024 with ICEC (*Istituto di Certificazione della Qualità per l'Industria Conciaria*), which is an external third party recognized and accredited to collect verified and approved information about slaughterhouses. The aim of this collaboration is to provide approved data about the certifications held by slaughterhouses and beyond, while also helping with the transition from a self-declaration system to a model certified by a third party in order to improve transparency and compliance with Kering's standards in all parts of the supply chain.

In 2024, Kering also provided financial support for operating projects involving calf breeders in order to improve animal rearing conditions, breeders' incomes and the quality of skins provided.

### Focus: fragrances and cosmetics

Kering Beauté has developed in-house sustainable production standards that include a section on animal welfare, which were revised in 2024 to include Creed. A roadmap has been defined to ensure that Creed meets Kering Beauté's standards, aiming in particular to:

1. Restrict use of animal-derived ingredients in product formulations;
2. Not accept animal testing by not developing any products that require their raw materials, ingredients, formulas or finished products to be tested on animals, anywhere in the world. In the case of new ingredients, suppliers and sub-suppliers must provide evidence that animal testing is not required for the product to go to market in mainland China or any other country.

In 2024, some Group brands in the Fragrances and Cosmetics category operated via licensing agreements with leading industry operators such as L'Oréal and Coty. These companies have devised strict policies on animal testing, compliant with internationally recognized standards and best practices, details of which are set out in their respective reports.

In October 2024, Kering Beauté unveiled its first fragrance collection for Bottega Veneta, developed in accordance with these standards.

## 4.3.3 Targets and performance indicators

### Target

Kering has not yet set any targets for animal welfare but applies its action plan each year to monitor the implementation of its standards.

### Performance metrics

In 2023 and 2024, 32 evaluations (including 26 on-site audits) were carried out to verify that Kering's animal welfare requirements were met.

# 4.4 Transparent and positive influence

The impacts, risks and opportunities related to positive and transparent influence practices identified during the double materiality assessment are described in section 1.2.3 of this chapter.

## 4.4.1 Transparent and positive influence practices

Kering's influence activities are centered around two areas: (i) contributing to professional and sector-specific associations (including representation of interests) and (ii) participating in sector coalitions (Fashion Pact, Watch & Jewellery Initiative). These activities are aligned with and support the Group's Sustainability Strategy, which aims to encourage more sustainable growth in the luxury industry by putting the conditions in place to have the most positive impact on the environment and society.

The Group's Chairman and Chief Executive Officer, François-Henri Pinault, has long stood by this ambition. This approach aims to encourage the development of more sustainable practices and shared initiatives within the luxury goods sector and beyond, promoting collaboration in order to have an even greater impact.

For example, Kering develops tools and standards that help disseminate ethics and sustainability best practices on a broad scale.

This approach involves management and employees of Kering and its houses who interact with professional and industry associations. Kering promotes its interest activities primarily in France, Italy and the United Kingdom, but can go beyond purely national frameworks, for example in its relationships with EU bodies.

The Chief Sustainability and Institutional Affairs Officer, who is a member of the Group's Executive Committee and reports directly to the Chairman and Chief Executive Officer, is responsible for implementing and overseeing Kering's influence practices.

### Monitoring and control procedure

These influence activities must meet at least three of the following four criteria:

**Influence**

Share and explain the Group's approach to public and private stakeholders, following a logic of leading by example.

**Collaborative**

Mobilize or attract other stakeholders

**Positive**

Align with the trajectory set by the Paris Agreements and Kering's Sustainability Strategy

**Transparent**

Be or aspire to become a public initiative

Kering ensures that it only belongs to associations, coalitions and organizations with purposes, actions and positions that align with its Sustainability Strategy, Code of Ethics and compliance procedures.

This is reflected by an internal declaration procedure, which requires employees to inform the Compliance department in case of a new membership or at any time when they follow the work of associations in case of doubt about their actions and position or any other relevant issue.

Should the Group notice a misalignment between the position of an association, organization or coalition of which it is a member and Kering's Sustainability Strategy, Code of Ethics or compliance procedures, the Group would:

i. Engage with the body concerned to ensure realignment swiftly and within a clear timeline;

ii. Leave the body concerned if this engagement, after an escalation process, proves unsuccessful.

So far, this scenario has not occurred.

With respect to lobbying activities, Kering complies fully with the rules established by the High Authority for Transparency in Public Life (HATVP) in France, where the Group's head office is located, with the European Union's transparency register (No. 465818716727-39) and by applicable laws in all countries in which it operates.

All Group employees – including members of the Executive Committee – also comply with the requirements of the Code of Ethics in relation to any activity concerning representation of interests.

## 4.4.2 Actions relating to transparent and positive influence practices

The Group strives to convey and highlight the most material issues within industry associations and coalitions in which it operates, by:

1. promoting a cooperative and collaborative approach to address shared environmental challenges:

- bringing together more than 65 members representing more than one third of production volumes in the fashion and textile industry, The Fashion Pact is the first CEO-led coalition for the sustainable transition of the fashion sector. Kering was one of the main sponsors of the Collective Virtual Power Purchase Agreement (CVPPA) launched in 2023, and The Fashion Pact is continuing its efforts with the new European Accelerator program, which aims to help Italian suppliers in the luxury goods value chain with their environmental transition in relation to energy, water and waste. This project will help identify best practices in this area, as well as ways of financing environmental efficiency measures;

- the Watch & Jewellery Initiative 2030 was launched in 2022 by Kering and Cartier with the aim of establishing a sustainable supply chain for watches and jewelry. With 72 members at the end of 2024, ranging from brands to suppliers, it focuses on three key areas: increasing climate resilience, preserving resources and fostering inclusion;
- ongoing development by Kering of the Environmental Profit and Loss (EP&L), which enables the measurement and quantification of the environmental impact of its activities across the entire supply chain. The tool's methodology is available as an open-source resource.

2. working in collaboration to create a more responsible fashion industry that respects human rights across the entire value chain. For example, Kering has established a variety of strategic partnerships that feed into reviews on certain key issues, such as the collaboration with the Wage Indicator Foundation and the Fair Wage Network on the issue of fair pay;
3. it plays an active role in the work of industry associations involved in drawing up industry standards in relation to the circular economy, eco-labeling and product ecodesign.

## 4.4.3 Targets and performance indicators

### Target

Kering has not yet set a target related to positive, transparent and collaborative influence but ensures that its approach is consistent and correctly implemented by making sure there is an equal balance between both sides: professional and industry associations, and sustainability partnerships or coalitions.

### Performance indicators

In 2024, Kering and its houses allocated a total of €5,294,047 to their influence activities around the world. This does not include spending on charitable projects.

Out of this total, €3,314,944 (or 63%) went on positive influence expenditure, exclusively through actions from organizations and coalitions of which the Group is a member. While most of this amount went to The Fashion Pact and the Watch & Jewellery Initiative 2030, Kering also made the following contributions:

- €40,000 to the French non-profit Entreprises pour l'Environnement (EPE), which involves around 60 businesses in promoting economic development that is compatible with planetary boundaries and socially acceptable;
- €31,000 to Textile Exchange, which produces sustainability standards in relation to textiles to guide the choices made by companies and customers.

€1,979,103 (or 37%) was spent on subscriptions to professional or industry associations, including:

- €388,000 to *Camera Nazionale della Moda Italiana*, which supports the development of the Italian fashion industry;
- €252,037 to the *Comité Colbert*, which defends the specificities of the luxury sector in France and Europe;
- €126,646 to *Confindustria*, which represents Italian companies and helps drive their exports.

In line with Kering's Code of Ethics, no contributions (financial or in kind) were made in 2024 in the name or on behalf of the Group to any political organizations in exchange for any direct or indirect material, commercial or personal advantage. In 2024, no members of Kering's Board of Directors held a position of public office during the two years preceding their appointment (see chapter 3, section 2.1).

The amount allocated to influence activities during the year breaks down as follows:

| In euros | 2024 |
|---|---|
| Contributions to sustainability partnerships or coalitions | €3,314,944 |
| Contributions to professional or industry associations | €1,979,103 |
| Contributions (financial or in kind) to political organizations | €0 |
| TOTAL | €5,294,047 |

# 5 - ASSURANCE REPORT ON SUSTAINABILITY AND TAXONOMY INFORMATION

**Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852**

*This is a free translation into English of the statutory auditor's report issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

**Year ended December 31st,2024**

To the Shareholders' Meeting,

This report is issued in our capacity as statutory auditor of Kering. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31st, 2024 and included in the group's management report and presented in Chapter 4 – *Sustainability Statements* of the Universal Registration Document (hereinafter "the Sustainability Statements").

Pursuant to Article L. 233-28-4 of the French Commercial Code, Kering is required to include the above mentioned information in a separate section of the group management report. This information has been prepared in the context of the first time application of the aforementioned Articles, a context characterized by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double-materiality assessment, and an evolving internal control system. It enables an understanding of the impact of the activity of the group on sustainability matters, as well as the way in which these matters influence the development of the business of the group, its performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L.821-54 paragraph II of the aforementioned Code our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 b of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS for European Sustainability Reporting Standards) of the process implemented by Kering to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code;
- compliance of the sustainability information Included in the Sustainability Statements with the requirements of Article L. 233-28-4 of the French Commercial Code, including ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on limited assurance engagements on the certification of sustainability information and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852.

In the three separate parts of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by Kering in the group management report, we have included an emphasis of matter paragraph hereafter.

## Limits of our engagement

As the purpose of our engagement is to provide limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide guarantee regarding the viability or the quality of the management of Kering, in particular it does not provide an assessment, of the relevance of the choices made by Kering in terms of action plans, targets, policies, scenario analyses and transition plans, that extends beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding Kering's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information that would be included in the group management report are not covered by our engagement. It also does not include the entity's compliance with legal and regulatory provisions related to the vigilance plan published in accordance with Article L225-102-1 of the French Commercial Code.

# Compliance with the ESRS of the process implemented by Kering to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code

## Nature of the procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by Kering has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities that are disclosed in the Sustainability Statements, and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the social and economic committee.

## Conclusion of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by Kering with the ESRS.

Concerning the consultation of the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code we inform you that as of the date of this report, this consultation has not yet taken place.

## Elements that received particular attention

We present hereafter the elements that we have paid particular attention to regarding the compliance of Kering's disclosure process with the ESRS.

- Concerning the identification of stakeholders

Information on stakeholder identification is provided in the group management report and in section 1.1.2 – *Commitments to Stakeholders* in the Sustainability statements.

We obtain an understanding of the analysis conducted by Kering to identify the stakeholders who can affect or be affected by the entities within the scope of the information, through their activities and direct or indirect business relationships across the value chain.

We interviewed the CSR Direction and examined the available documentation to assess the relevance of the main stakeholders identified by Kering with the nature of its activities and its geographical footprint, taking into account its business relationship and value chain.

- Concerning the identification of impacts, risks and opportunities

Information on the identification of impacts, risks and opportunities is presented in the section 1.2 *Double Materiality Assessment* of the Sustainability statements.

We obtained an understanding of the process implemented by Kering for identifying actual and potential impacts (both negative and positive), risks and opportunities, in relation to the sustainability matters set out in paragraph AR 16 of ESRS 1, "Application requirements", and where applicable, those specific to Kering.

We have assessed the consistency of the actual and potential impacts, risks and opportunities identified by the entity with the available sector analyses and with our knowledge of the Group.

- Concerning the assessment of impact materiality and financial materiality

Information on the assessment of impact materiality and financial materiality is presented in the section 1.2.1 - *Methodology*.

Through interviews with the CSR Direction and the inspection of the available documentation, we obtained an understanding of the process implemented by Kering to assess impact materiality and financial materiality, and assessed its compliance with the criteria defined in ESRS 1.

In particular, we assessed the way in which Kering established and applied the materiality criteria defined by the ESRS 1 in order to determine the material information reported.

# Compliance of the sustainability information included in the Sustainability Statements with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

## Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the disclosures provided enable an understanding of the general basis for the preparation and governance of the sustainability information included in the Sustainability Statements, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by Kering for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, that this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

## Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in the Sustainability Statements, with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

## Observation

Without qualifying the conclusion expressed above, we draw your attention to the information provided in the paragraph "*Additional information on the first year of publication*" presented in Section 1.4 Methods used to prepare Sustainability Statements which specifies the information that remains to be disclosed and/or completed in subsequent reporting periods.

## Elements that received particular attention

- Information provided in application of environmental standards (ESRS E1 to E5)

Information reported in relation to greenhouse gas emissions footprint analysis and to transition plan are presented respectively in the section 2.1.6 *Results of the Group's carbon footprint analysis* and 2.1.3 *Transition Plan* in the Sustainability Statements. We present hereafter the elements that we have paid particular attention to the compliance of the disclosed information with the ESRS.

- Regarding the information disclosed relating to the greenhouse gas emissions footprint analysis, our work primarily consisted in:
  - assessing the consistency of the scope considered for the greenhouse gas emissions footprint analysis with the scope of the consolidated financial statements and the upstream and downstream value chain;
  - familiarizing ourselves with the greenhouse gas emission inventory protocol used by Kering to prepare its greenhouse gas emissions footprint analysis, and checked how it was applied for Scope 1 and Scope 2, for a selection of emissions categories and sites;
  - with regard to Scope 3 emissions, assessing the justification for the inclusion and exclusion of the various categories and the transparency of the disclosures provided in this respect, and the information-gathering process;
  - assessing the appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent in the state of scientific or economic knowledge and the quality of the external data;
  - through interviews with management, understanding the main changes in operations during the year that are likely to have an impact on the greenhouse gas emissions footprint analysis;
  - for physical data related to energy consumption, raw materials and freight transport, using sampling techniques to reconcile the underlying data used to prepare the greenhouse gas emissions footprint analysis together with the supporting documents;
  - with regard to those estimates that we considered to be critical, and that Kering used to prepare its greenhouse gas emissions footprint analysis, obtaining an understanding of the method used to calculate the estimated data and the information sources on which the estimates were based;
- Regarding the information disclosed relating to the transition plan for climate change mitigation, our work primarily consisted in:
  - assessing whether the information reported in respect of the transition plan meets the requirements of ESRS E1 and provides an appropriate description of the underlying assumptions, it being specified that we are not required to express an opinion on the appropriateness or the level of ambition of the objectives of the transition plan;
  - assessing whether this transition plan reflects the commitments made by the entity as declared in its climate strategy;
  - assessing the consistency of the 2033 and 2050 targets with the trajectory validated by the SBTi (Science Based Targets initiative).

# Compliance with the reporting requirements set out in the Article 8 of Regulation (EU) 2020/852

## Nature of procedures carried out

Our procedures consisted in verifying the process implemented by Kering to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

## Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

## Elements that received particular attention

We have determined that there are no such elements to be disclosed in our report.

Paris-La Défense, March 5, 2025
The Statutory Auditors

**French original signed by**

| **Deloitte & Associés** | | **PricewaterhouseCoopers Audit** | |
|---|---|---|---|
| Bénédicte Margerin | Julien Rivals | Patrice Morot | Camille Phelizon |

# CHAPTER 5
# Risk management and internal control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# 1 - INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES IMPLEMENTED BY KERING

This section of the Report by the Chairman of the Board of Directors on the Group's risk management and internal control system is produced in accordance with the reference framework of the French financial markets authority (*Autorité des marchés financiers* - AMF) published in July 2010 and draws on the ESMA guidance on risk factors provided under European Regulation (EU) No 2017/1129 of June 14, 2017 (the "Prospectus Regulation") supplemented by Commission Delegated Regulation (EU) No 2019/980 of March 14, 2019. It also takes into account of the requirements set out in Article 173 of French law No 2015-992 of August 17, 2015 on energy transition for sustainable development.

The AMF's framework is based not only on the aforementioned French and EU legislation and regulations, but also on best practices and international standards regarding internal control and risk management, in particular the ISO 31000 and COSO (Committee of Sponsoring Organizations) frameworks.

## 1.1 Scope and principles of organization

The following report aims to describe the internal control system in place at the Group, particularly in relation to the preparation and processing of financial and accounting information. The scope of the Group covered by the report includes all fully consolidated subsidiaries, i.e. the companies over which the Group directly or indirectly exercises sole control.

The structure of the internal control system is aligned with the general organization of the Group. It is both:

- decentralized at the business level: the Executive Management teams of operating and legal entities are responsible for managing and coordinating the internal control process;
- unified around a common methodology and a single set of standards. The Kering holding company coordinates the deployment of the system across the Group, supported by teams at Kering Asia-Pacific and Kering Americas.

## 1.2 General principles of risk management

According to the AMF definition, risks represent the possibility that an event may occur and could have an impact on the Group's people, assets, environment, objectives or reputation.

Risk management at the Kering group is intended to:

- create and preserve the value, assets and reputation of the Company;
- strengthen the Company's decision-making and other processes to support the achievement of its objectives;
- mitigate the risk of unexpected outcomes and operating losses;
- ensure that initiatives are consistent with the Company's values;
- bring Company employees together to develop a shared view of the main risks.

Accordingly, risk management within the organization covers a range of topics that is much wider than just financial risks: for example, operational, labor-related, environmental and compliance risks.

Risk management is therefore not an isolated process within the organization, but an integrated part of the Group's governance. It is a continuous process used by all of the Group's houses.

## 1.3 Components of risk management

The Group's system provides for an organizational framework, a four-step risk management process and continuous monitoring.

### 1.3.1 Organizational framework

This organizational framework includes:

- an organization that sets out the roles and responsibilities of the various participants and lays down procedures and standards for the system;
- a risk management policy that sets out the objectives of the system in line with the Company's culture, the common terminology applied, and the approach used to identify, analyze and deal with risks;
- an IT system into which risk-related data is input;
- Planned reporting of risk information to stakeholders identified within the Group, as well as an annual presentation to the Board of Directors.

#### Risk Committee

Within the scope of the Group's risk management policy and in accordance with Kering's corporate governance, Kering's Executive Management created a Kering Group Risk Committee in 2011. The Deputy CEO in charge of Operations and Finance, the Chief Financial Officer, the General Counsel, the Chief Audit Executive, the Head of the Security Department, the Chief Information Security Officer and the Risk Manager are the members of this Committee. As the Group's operations and activities expand, become more complex and more international, the Risk Committee helps identify and rank the main risks that could have an impact on the Group's business operations. Internal rules determine how the Committee is managed, and how it operates.

The Risk Committee (i) reviews the validation and monitoring process for the Group's risk management policy; (ii) monitors the latest developments and checks the relevance of analysis relating to operational, labor-related, environmental, financial and compliance risks; (iii) reviews briefings on the analysis of general and specific risks; and (iv) validates and monitors action plans implemented to mitigate the identified risks more effectively.

The Risk Committee's work is brought to the attention of the Audit Committee, which is informed of the Committee's internal rules and has access to the minutes of its meetings.

### Risk Manager

The Risk Manager position was created within the Company to lead this strengthened risk management system, ensure that the Executive Management teams of the Group's businesses analyze the main risks within their scopes and provide the members of the Risk Committee, prior to each meeting, with the information and documents necessary for their work and their discussions.

### Risk management policy

After reviewing the COSO internal control frameworks in particular, the Group implemented a risk management approach that was sent to the Executive Management teams of the Group and the houses.

### 1.3.2 A four-step risk management process

- **Risk identification**: in this step, the main risks are identified and addressed centrally. Within the Group, risks are identified as part of an ongoing process that takes the houses' perspective into account, as well as the Group's broader vision and insights from various departments such as the Sustainability Department in order to identify sustainability risks. During this step, interviews with the main stakeholders (the recommended and most widely used technique) are conducted to identify the risks that could impact the Group's ability to achieve its objectives. Kering relies on the prior year's risk registers, as well as various other sources, both external (e.g. surveys) and internal (e.g. reporting of information);
- **Risk assessment**: this step involves evaluating the main risks identified on the basis of three criteria:
  – their impact,
  – their probability of occurrence, and
  – their level of control.

This is a continuous process, but formal assessments are conducted once a year during work sessions with key managers from the houses, regional divisions and head office. The risk management policy describes in detail the criteria and procedures for these assessments.

- **Risk ranking**: During this last step, risks are ranked by priority and the most appropriate action plans for the Company are identified.
- **Monitoring and oversight**: The risk management system is monitored and reviewed on a regular basis to continuously improve it. The objective is to identify and analyze the main risks and to learn the lessons from the risks that have materialized. The Risk Committee reviews the risk maps drawn up by the Group Internal Audit Department, and to monitor the progress of action plans. The Risk Committee met three times in 2024 and reports on its work were provided to the Audit Committee.

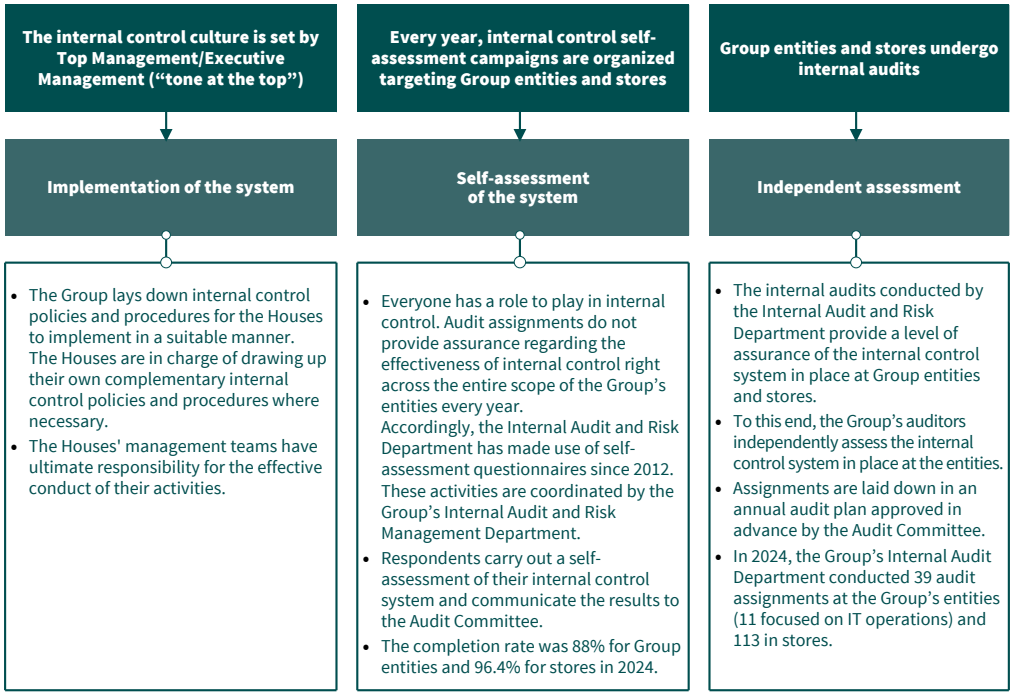
Since 2011, a consolidated risk map has been submitted to the Risk Committee for comment before being presented to the Audit Committee and the Board of Directors. In addition, risk information is also shared with each of the houses during feedback meetings.

## 1.4 Link between risk management and internal control

The risk management and internal control systems are complementary, and together help control the Group's activities:

- the internal control system is designed to control risks in order to reduce their potential impacts and probabilities of occurrence. As a result, internal control is used to deal with risks inherent in the Group's activities and operations, particularly through control. Those checks are therefore an essential part of the various resources used by the Group to manage risks;
- the risk management system is designed in particular to identify and assess the Group's inherent risks. When risks are assessed, the internal control environment is taken into account to determine whether action plans are necessary to mitigate risks further. Those action plans can take several forms, including organizational adjustments or projects, but may also involve implementing new checks or strengthening ones that already exist;
- the combined interaction and balance between the two systems are influenced by the control environment, which provides a common foundation, consisting particularly of the risk and control culture of the Company and the ethical values of the Group.

The operational aspects of the internal control system are as follows:




The Group seeks to strengthen its business processes through a continuous improvement approach.
As well as analyzing feedback, it defines action plans based on internal control self-assessment campaigns and on recommendations made in internal audit reports.

## 1.5 General principles of internal control

### 1.5.1 Definition of internal control

The internal control system applicable within the Kering Group relies on a set of resources, policies, conduct, procedures and appropriate actions to ensure that the necessary measures are taken in order to control:

- activities, operational effectiveness and the efficient use of resources;
- risks that could have a significant impact from an operational, labor-related, environmental, financial or compliance perspective on the Company’s assets or the achievement of its objectives.

Internal control is defined as a process conducted by Executive Management, under the supervision of the Board of Directors, and implemented by senior executives and all employees

### 1.5.2 Limitations of internal control

The probability of meeting these objectives is subject to the limitations inherent in any internal control system such as:

- human errors or malfunctions occurring when decisions are made or applied;
- deliberate collusion among multiple individuals, enabling them to elude the control system;
- situations in which implementing or maintaining a control would be more expensive than the risk that it is intended to remedy.

Furthermore, in pursuing the objectives indicated above, it is understood that companies are faced with events and uncertainties beyond their control (unexpected changes in the markets, competitive environment or geopolitical situation, or error in forecasting or assessing the effects of such changes on the organization, etc.).

Internal control cannot therefore provide absolute assurance under all circumstances that the Company will achieve its objectives, and in particular:

- compliance with laws and regulations in force;
- application of guidelines and directions set by Executive Management;
- smooth operation of internal processes, particularly those contributing to the safeguarding of assets;
- reliability of financial and accounting information.

# 1.6 Components of internal control

The quality of the internal control system is based on the following components:

- the control environment based on rules of conduct and integrity supported by management and communicated to all employees;
- an organization that clearly defines responsibilities and has adequate resources and skills;
- a risk management system that aims to identify, analyse and rank risks in order to determine the control activities needed to mitigate them;
- ongoing oversight of the internal control system and regular review of its functioning.

## 1.6.1 Internal control environment

The Group's internal control system is based on a decentralized organization that clearly defines responsibilities through the Group Charter. It includes principles and values governing the conduct and ethics of all its employees, presented in the Code of Ethics. It also includes an Internal Control Charter. Moreover, it relies on human resources management that ensures the competency, ethical conduct and involvement of its employees.

### The Group Charter

The Kering Group adopted a Charter several years ago, which was updated in 2022. The Charter clarifies the essential principles that determine the decentralization of the organization and the responsibility of senior executives. The Charter defines the guiding principles governing the relations between Kering and its houses. It also defines, within each functional area: (i) the matters that fall within the delegated responsibility of the houses; (ii) those that must be communicated to Kering within appropriate timeframes; and (iii) those requiring Kering's prior authorization.

### Code of Ethics

Since the first PPR Ethics Charter in 1996, the Group has regularly updated its ethical principles to reflect new laws and regulations. In 2005, that Charter became the Code of Ethics, which intends to establish and make explicit the rules and values that must guide the conduct of staff members in their day-to-day business activities. The Code was updated most recently in 2018 and it is publicly accessible in 14 languages on the Group's website.

To ensure that the ethical principles defined by Kering are complied with and integrated into its day-to-day activities, the Group has set up an ethics and compliance organization. More specifically, the Compliance Department is led by a Group Chief Compliance Officer, who is supported day-to-day by a team of lawyers, a network of Brand Compliance Officers and Regional and Local Compliance Officers, who are in charge of applying the compliance program.

The changes made to the Code and the organization of ethics within the Group are examined in detail in section 2 "Ethics, the cornerstone of our business" of chapter 4 "Sustainability statements" in this document.

### The Internal Control Charter

The Kering Group first adopted an Internal Control Charter in 2010 and then updated it in 2015. The Charter defines internal control and sets out its objectives as presented in the AMF's reference framework. It specifies that the holding company acts as the fulcrum point coordinating the various entities and sets out the responsibilities of each of the activities and houses in implementing an internal control system that fits their operations.

The Charter defines the role of each person involved in internal control and the bodies responsible for oversight and assessment.

Furthermore, the Charter specifies the existing tools for assessing internal control and risks, namely self-assessment of internal control and mapping of major risks. It also sets out the basic principles for creating new procedures.

### The Audit Charter

Internal Audit's operational procedures are laid down in the Audit Charter. A new version of the Audit Charter was published in 2018. The Charter stipulates that:

- at the end of each audit, the findings and recommendations are presented to the managers of the area or areas concerned;
- any agreements or disagreements made known by the audited parties concerning the proposed recommendations are included in the final report, which specifies any action plan, as well as responsibilities and the deadlines for implementation;
- the operational staff members concerned are responsible for implementing recommendations;
- the Internal Audit Department is in charge of verifying their implementation.

### Human resources policy

The quality of human resources and the cohesiveness of management are key success factors for the Group.

Kering makes sure that the various houses apply human resources policies that are aligned with their situation and challenges and meet the highest local standards.

At the local level, the houses lead and organize dialogue with staff members and involve them regarding labor policy, while the Group organizes dialogue within the Group's employee representative bodies, namely the Group Works Council and the European Works Council.

The Group also supports the houses with spotting talent for key positions and succession planning, while keeping a close eye on the market to enrich the pool of external applicants.

Kering supports the houses by handling transactional HR activities (payroll, absence management, employee benefit management) and provides a shared framework for developing Group-wide projects, such as digital platforms, the HR information system and the in-house social media platform, talent and performance management, internal communication for key issues linked to Kering's values, global remuneration and employee benefits policies. This framework is constantly evolving so the houses can meet the new challenges they face.

### Legal Department

Apart from its specific function at Company level, the Legal Department assists the entire Group with important legal matters and coordinates analyses or studies common to Group activities or of significant interest for the Group. It also formulates Group policy and oversees its application. It provides the houses with a methodology for identifying standard risks enabling them to anticipate such risks and inform the Legal Department of them.

### Tax Department

The Tax Department coordinates the Group's tax policy and supports all its subsidiaries in ensuring compliance with national and international tax rules, such as those relating to transfer pricing. In that respect, it ensures that all intragroup transactions comply with the arm's-length principle. The department is also responsible for coordinating and monitoring tax information from all Group subsidiaries, in order to ensure that tax matters are handled consistently. Finally, the department develops transparent, long-term relationships with all tax authorities and takes part in discussions with professional and international organizations dealing with tax matters.

### Communications Department

The Communications Department is involved in the Group's development by enhancing its image and reputation both internally and externally.

### Information Systems Department

The Information Systems Department is responsible for ensuring optimal operational performance, controlling IT risk and improving the Group's information systems.

### Security Department

The Security Department's main responsibility is to protect the Group's people and material assets against all malicious acts and against the consequences of any crises that may arise. It fulfills that remit in close collaboration with the houses, which it advises and supports where necessary.

## 1.6.2 Organization and resources

The organization of internal control relies on people involved at every level in the chain of responsibility, from Executive Management to all employees, as well as the bodies responsible for oversight and assessment: the Board of Directors, the Audit Committee, the Internal Audit and Risk Management Department and the Statutory Auditors. Together, this forms a model with three lines of defense. A summary of it is provided in section 9 of chapter 1.

### 1.6.2.1 Participants in the control system

#### Executive Committee

The Kering Group Executive Committee, which is an Executive Management body, comprised 13 members as of December 31, 2024.

The Executive Committee meets regularly in order to:

- draw up and coordinate the Group's operating strategy;
- set priorities via objectives assigned to the activities and the main functional projects;
- sevelop synergies between the houses;
- propose acquisitions and disposals to the Board of Directors;
- ensure proper implementation of the policies and projects defined within the framework of the Group's commitments to sustainability.

The Kering group's strategies and goals are discussed each year via the medium-term plans and budgets of its business units.

#### Executive Management teams

The Executive Management teams define, coordinate and oversee the Group's internal control system.

They are also in charge of taking the requisite corrective measures. The Executive Management teams' involvement is of key importance to the internal control system given the Kering Group's organization.

#### Management and employees

Management plays the leading operational role in internal control. It relies on internal control to perform its duties and reach its objectives. In this respect, management implements the internal control operations related to its area of responsibility and ensures that the internal control system fits its activities.

Employees must have the knowledge and information necessary to set up, operate and oversee the internal control system in order to meet the objectives assigned to them. In their day-to-day activities, they follow the principles and rules of control, and can suggest ways to improve and detect malfunctions.

### 1.6.2.2 Bodies responsible for oversight and assessment

The bodies responsible for oversight and assessment are:

#### The Board of Directors

The Board of Directors contributes to the overall control environment through its members' skills and expertise. The Board is regularly informed about the methodologies used for internal control and the management of major risks, which it presents in its Board report. The duties of the Board of Directors are presented in section 3.1 of chapter 3 of this Document.

#### The Audit Committee

Under the responsibility of the Board of Directors, to which it reports on a regular basis, the Audit Committee is in charge of monitoring:

- the procedures for preparing financial information;
- the effectiveness of internal control and risk management systems;
- the statutory audits of annual financial statements and, where appropriate, of consolidated financial statements performed by the Statutory Auditors;
- the independence of the Statutory Auditors.

The Kering Audit Committee also:

- verifies that the Group has an Internal Audit Department that is structured and well suited to the tasks of identifying, detecting and preventing risks, anomalies or irregularities in the management of the Group's affairs;
- assesses the relevance and quality of the methods and procedures used;
- reviews the Internal Audit reports and the recommendations issued;
- approves the annual Internal Audit plan;
- reviews the work conducted by the Risk Committee and has access to the minutes of its meetings.

The composition of the Audit Committee, its duties and work are presented in section 3.4.2 of chapter 3 of this Document.

### The Internal Audit and Risk Management Department

The Kering Group's Internal Audit Department covers all of the Group's operations.

It reports directly to Executive Management.

Through its work, the Internal Audit Department helps assess the internal control system and recommends improvements. Its principal duties are:

- leading and coordinating risk management through risk mapping and action plan monitoring among other activities. The Chief Audit Executive informs Executive Management and reports to the Audit Committee on the main results of their assessments and on action plan monitoring at least once a year;
- coordinating, harmonizing and optimizing working methods and tools. It also provides services such as regulatory watch, expertise and resources;
- actively keeping track of best practice in internal control;
- drawing up the audit plan based on the Group's process guidelines and on the major risks identified at the houses. The audit plan takes account of special requests from senior management and other operational departments. These projects are discussed with the main people in charge. The Audit Committee reviews and approves the final audit plan;
- implementing the audits in line with the annual audit plan. It checks the control procedures implemented by other departments and conducts operational and financial audits within its remit.

The main issues identified by the Internal Audit Department are reported to the Audit Committee. In this way, the Audit Committee is informed of the issues identified and the action plans set up by the entities concerned.

At the end of 2024, the Group's Internal Audit Department had 18 employees, one of whom specialized in IT audits.

Internal Audit activities are performed in conjunction with the work of the Audit Committee and the results of the work performed by the Statutory Auditors.

In December 2021, the Internal Audit Department obtained professional certification from the IFACI (French institute of audit and internal control), confirming that it conducts its activities in accordance with the mandatory requirements of the International Professional Practices Framework of the Institute of Internal Auditors (IIA). This seal of quality demonstrates that the Internal Audit Department adds value for the Group, improves its operations and helps it to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Since 2022, the Group Internal Audit Department has used a tool for drafting and sharing reports on audit assignments in stores. The monitoring process regarding the various stages of assignments is fully digitalized, making for more effective monitoring and smoother discussions with stakeholders.

### The Statutory Auditors

The Statutory Auditors review internal control systems as part of their audit of the financial statements. In so doing, they identify the strengths and weaknesses of these systems, assess the risk of material misstatement, and, where applicable, make recommendations. Under no circumstances do the Statutory Auditors take the place of the Company in implementing internal controls.

The role of the Statutory Auditors is to certify the completeness, accuracy and fair presentation of the parent company and consolidated financial statements on an annual basis and issue a limited review report on the Group's interim consolidated financial statements.

The main matters covered by the Statutory Auditors are as follows:

- identifying risk areas and performing tests on a sample basis, in order to validate the completeness, accuracy and fair presentation of the financial statements with regard to their individual or consolidated materiality threshold;
- validating the main types of accounting treatment and options throughout the year, in coordination with the management teams of business activities and Kering;
- applying the accounting standards defined by Kering for its activities based on the relevant accounting standards;
- preparing an audit report for each house, in order to certify Kering's consolidated financial statements, including any comments on internal control;
- presenting a general overview of the Kering Group to Kering's Management and to the Audit Committee;
- preparing the Statutory Auditors' reports for Kering's shareholders. These reports are presented in chapter 6 of this Document.

## 1.6.3 Risk management

To prepare the Group's consolidated risk map, data and information are consolidated from various sources arising from the houses' mapping exercises and cross-entity functions, including:

- Top Management's perception of risk, based on almost 20 different risk assessments and maps covering the vast majority of organizational units (houses, regions and Kering);
- an assessment of risk scenarios relating to France's Duty of Care and Sapin II regulations, carried out among the Group's houses under the supervision of the Compliance team. More details about the Duty of Care assessment are available in section 3.2 of the present chapter;
- the double materiality assessment carried out in accordance with the CSRD and detailed in chapter 4. Sustainability statements under the supervision of the Sustainable Finance Department;
- assessments by various central functions, including the cybersecurity function.

The Group's consolidated risk map is also used by the Internal Audit team in preparing its annual audit plan.

The risk factors identified are subject to the mitigation measures presented in section 2 of this chapter.

## 1.6.4 Oversight of the system

The ongoing oversight of the internal control system and regular review of its functioning rely on the work performed by the Internal Audit Department, any comments made by the Statutory Auditors and the annual self-assessments.

In the annual self-assessments carried out within the entities for each process identified, the managers in charge are asked to assess the level of internal control through key controls for their operations, in order to identify any weaknesses and implement corrective measures. Self-assessment is not simply a reporting tool intended for the Internal Audit Department or the Audit Committee; it is also a system that allows the Executive Management teams of the activities to obtain reasonable assurance regarding the strength of the internal control process. Self-assessment makes it possible to strengthen the level of internal control through operational action plans. Lastly, these provide a means of harmonizing the level of internal control applied throughout the Group and of introducing best practices at all activities, especially newly acquired entities.

### Self-assessment by Group entities

Key operational staff members carry out a questionnaire-based self-assessment in each of the entities following the breakdown of operations into key processes. Key controls, as well as fraud risk controls, have been identified and added to these questionnaires in order to strengthen the effectiveness of the action plans. The self-assessment campaign covers all of Kering's operations.

The questionnaires are reviewed at regular intervals in the light of participants' responses during the previous annual assessment and comments from those conducting the assessments. In 2022, the entire content of the questionnaires for the other processes was reviewed. The goal of the update was to focus on more operational, clearer and more concise points reflecting adjustments to the Group's processes that have undergone major changes.

The finance, accounting and management process questionnaire takes into account the AMF's reference framework and, in particular, its application guide. It includes some 60 questions on the Group's mandatory key controls. It is circulated among the largest subsidiaries in the Group's activities. There was no change in the scope of processes covered in 2024.

### Self-assessment by the houses' stores

The Group Internal Audit & Risk extended its self-assessment procedures to stores throughout the Group's houses starting in 2013. Those self-assessments give sales network managers an idea of the effectiveness of their internal control and represent a training guide to help store managers meet their internal control obligations.

The self-assessment questionnaire is revised regularly to (i) take into account changes in all store activities, (ii) clarify and simplify the questions and make them more relevant, and (iii) simplify the connection with the control points verified during in-store audits for comparison purposes.

In addition, to facilitate the use of the results, the frequency of self-assessment campaigns in stores was reduced from half-yearly to yearly. This approach was presented and approved by the Kering Audit Committee.

### Shared Services Centers

Since 2021, the Group's Finance Department has continued the roll-out of the tool that continuously monitors the transactional activities managed by the Group within the financial Shared Services Centers. The tool has been deployed more widely across financial processes in accordance with the Group's financial transformation project.

# 1.7 Description of internal control procedures relating to the preparation of financial and accounting information

Financial and accounting information is prepared by the Group Finance Department. At the level of Kering, this department supervises the Financial Control Department (which includes the accounting, consolidation and management control teams), the Financial Communications Department, the Financing, Treasury and Insurance Department and the Tax Department.

## 1.7.1 Financial Control Department

### Financial management procedures

The financial information is produced and analyzed using a set of financial management procedures including:

- medium-term plans, which measure the impact of strategic priorities on the Group's key financial and management indicators. They are also used for the annual assessment by the Group of the fair value of assets allocated to the various cash-generating units;
- budgets, which are drawn up on the basis of discussions between the operating departments and the members of the Group's Executive Management. The first phase takes place in the fourth quarter of the financial year when a preliminary budget sets out the main financial indicators and operating action plans. The second stage, which finalizes the budget, takes place in the first quarter of the following year and builds in any significant events that may have occurred in the meantime;
- regular financial performance reviews;
- monthly reporting that monitors the performance of the Group's business lines throughout the financial year via specific indicators whose consistency and reliability are reviewed by the Financial Control Department. This department also checks that accounting treatments applied comply with Group rules and carries out, together with business lines' finance departments, an analytical review by comparison with the budget and the previous year;
- monthly meetings of Kering's Executive Management and the senior executives of the Group's activities to assess business trends on the basis of financial and operational data provided by meeting participants.

### Consolidation process

Kering's Financial Control Department coordinates the process and is in charge of producing the Group's consolidated financial statements. For this purpose, the Department sends instructions to the activities specifying the reports to be sent, the common assumptions to be applied and the specific points to be taken into account.

Consolidation levels within the activities provide a first level of control and consistency.

The consolidation of the financial statements takes place in late June and late December using the Group consolidation tool. Financial information is transferred from Group businesses in real time after full validation of the consolidation reporting packages by the Chief Executive Officers and Chief Financial Officers of the houses. They make a legally binding commitment via a signed representation letter, which helps to underpin the quality of the financial information made available. The review carried out by the Statutory Auditors as part of their statutory duties also help ensure the quality and accuracy of all financial information.

Lastly, the Group regularly monitors the activities' off-balance sheet commitments. This control is carried out as part of the consolidation process, with businesses required to provide an exhaustive list of their commercial or financial commitments and to monitor them from year to year.

## 1.7.2 Financial Communications Department

The Financial Communications Department's role is to produce and release the permanent and periodic information that makes up the regulatory information.

It conducts this role in line with a precise regulatory framework and in compliance with the key general principles applicable to financial reporting. The Financial Communications Department thereby upholds the principle of equal access to information for investors, the principle of consistent, accurate, precise and fairly presented information and the full and effective release of regulated information, notably through the publication on the Group's website, kering.com.

Financial communications form a key component of market transparency and an important foundation of investor confidence. They are intended for a diverse range of audiences, mainly consisting of institutional investors, retail investors and (financial and non-financial) analysts. Executive Management, the Chief Financial Officer and the Financial Communications Department are the contacts for analysts and investors. The Human Resources Department provides information for employees and employee shareholders, in conjunction with the Financial Communications Department.

The role of the Financial Communications Department also extends to non-financial (CSR) topics in its dealings with analysts and investors. The Sustainability Department is also involved, handling relationships with non-financial rating agencies.

## 1.7.3 Financing, Treasury and Insurance Department

The Financing, Treasury and Insurance Department centralizes cash flows and manages financial risks, funding and hedging of exchange-rate and interest-rate risks. The Department is also in charge of devising the Group's policy regarding insurance and of leading and monitoring its implementation within the Group, in order to optimize the overall cost of its insurable risks. The organization reduces the Group's exposure to risk by providing expertise to the houses and the FSSC. The Financing, Treasury and Insurance Department determines operational rules for all entities, and defines and deploys tools, procedures and best practice.

The Insurance Department, an integral part of the Financing, Treasury and Insurance Department, establishes and manages the Group's policy regarding insurance. It is responsible for identifying, quantifying and handling risks (prevention, self-insurance or transfer to insurers).

# 2 - PRESENTATION OF RISKS

In accordance with the regulation EU No 2017/1129 of June 14, 2017 (Prospectus Regulation) and ESMA's guidelines on risk factors, the following section describes the main risk factors specific to the Kering Group.

## 2.1 Ranking of the Group's main risk factors

The risks identified by the Group have been ranked according to their level of criticality, on a scale ranging from 1 (very critical) to 4 (less critical), based on the probability of their occurrence and the magnitude of their impacts, as well as reflecting the risk management measures implemented.

All of the risks presented below represent the specific risk factors to which the Kering Group is exposed. These risks are considered material for the Group within the meaning of Article 16 of the Regulation (EU) 2017/1129 of June 2017, despite the risk management policies adopted to mitigate the probability of their occurrence or their impact.

The Group has classified its risks based on its fundamentals, which are as follows:

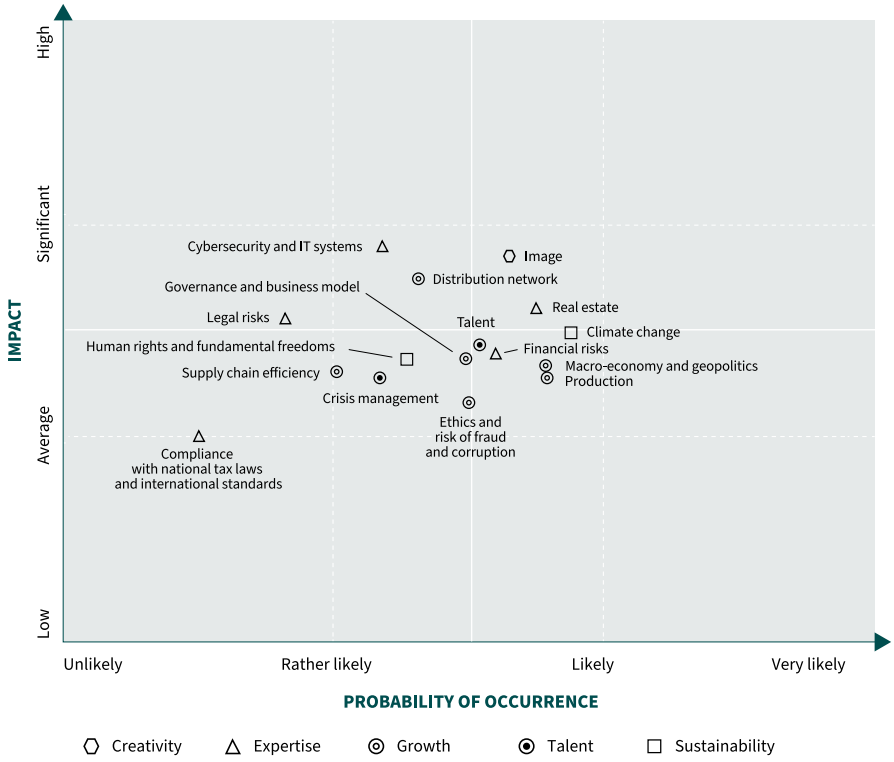
- Creativity – championing a vision of luxury that combines heritage with boldness;
- Growth – promoting organic growth;
- Expertise – enhancing synergies and integration;
- Talent – developing talented individuals;
- Sustainability – crafting luxury in a sustainable manner.

In addition, the risks have been streamlined to make them easier to understand and present. For 2024, the table below presents the risk factors ranked by type:

| Fundamental | Level of criticality | Risk |
|---|---|---|
| CREATIVITY | 2 | Image |
| GROWTH | 3 | Macro-economy and geopolitics<br>Distribution network<br>Governance and business model<br>Ethics and risks of fraud and corruption<br>Supply chain efficiency<br>Production |
| EXPERTISE | 2 | Real estate<br>Cybersecurity and IT systems |
| | 3 | Legal risks<br>Financial risks |
| | 4 | Compliance with national tax laws and international standards |
| TALENT | 3 | Crisis management<br>Talent |
| SUSTAINABILITY | 2 | Climate change |
| | 3 | Human rights and fundamental freedoms |

To assess the overall materiality of its risk factors, Kering draws up a risk matrix summarizing the criticality of each one based on a graphical representation of its probability of occurrence and its average potential impact.

### Kering group's risk map




Descriptions of the risks identified and the Group's risk management measures are provided in the following sections. The pictograms presented below indicate the probability of occurrence and impacts of the risks identified by the Group.

| Probability of occurrence | Impacts | High | Significant | Average | Low |
|---|---|---|---|---|---|
| Unlikely | Human capital | | | | |
| Somewhat likely | Compliance/Legal | | | | |
| Likely | Finance | | | | |
| Very likely | Operational | | | | |
| | Reputation | | | | |

The various types of impacts referred to above are defined as follows:

- Human capital: impact on management of the Group's Human resources;
- Compliance/Legal: legal or compliance-related impact on the Group's individuals or legal entities;
- Finance: impact on the Group's financial results and/or impact likely to result in a cash outflow;
- Operational: impact on the Group's business operations, such as product development, production or logistics activities;
- Reputation: impact on the image and reputation of the Group, its houses and its executives.

## 2.2 Creativity risks

### Image

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Likely | Average | Significant | Average | Significant | High |

**Description of the risk**

Damage to the Group's image or reputation or that of its Houses, giving stakeholders (e.g. customers, consumers, suppliers, employees, shareholders and civil society) a negative opinion of the Group and ultimately affecting its results.

**Example case(s)**

Unfavorable or inaccurate media coverage, as well as negative discussions on social media, concerning the Group's alleged practices or its Houses' products or communications, could harm not only the Group's image and reputation, but also potentially lead to a slowdown in sales.

**Actions taken**

The Group keeps a close eye on the media and discussions on social media about the Group and its Houses.

To guard against image risk, the Group has taken the following measures, which have been strengthened following the controversy surrounding Balenciaga at the end of 2022.

*Internal control measures:*

- Sharper definition of internal control measures around communication and marketing by the Houses to reduce reputational risks. This framework incorporates:
  - a Kering policy that sets out a list of recommendations and warnings for communication and marketing activities,
  - a set of guidelines for sensitive issues;
- Based on this framework, a formal internal process within each House suited to its own organizational structure. These processes are controlled by Kering's internal audit team;
- Establishment of a Group-wide Brand Trust function, responsible for reviewing and making recommendations to Houses about their communication and marketing content and activities and to guide them with their risk assessments. Consulting the Brand Trust Director is mandatory for 15 identified topics (politics, religion, animals, alcohol, etc.), which will be regularly updated to reflect current events and developments, and for all fashion shows. The matter will be reviewed in-depth by the Brand Trust Director and, as a last resort, may be submitted to Kering Deputy CEO, in charge of Brand Development, for decision. In addition, the Houses are also in regular discussions with the Group to forestall risks arising from the use of potentially sensitive images and messages in their communication.

*Communication measures:*

- A special reputational crisis management procedure defined with the Communication and Image Department and in conjunction with the Executive Management and the other departments concerned.

*Training measures:*

- Implementation of a training program on how to manage reputational crises for each of the Houses' executive management teams;
- Promotion of a culture that nurtures both independent judgment and collective discussion, including through training for employees via online modules, in particular on business ethics and compliance. This training also aims to instill a culture of equality and inclusion, for example, by combating stereotyping and unconscious bias that could be at odds with the Group's values and thus harm its image.

*Governance measures:*

- Monitoring by Kering's Board of Directors of how the actions mentioned above are implemented, as well as the inclusion of a criterion linked to protecting the intangible assets of the Group and its Houses in the remuneration policy of the Chairman and Chief Executive Officer.

## 2.3 Growth risks

### Macro-economy and geopolitics

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Likely | Average | Significant | Average | Average | Average |

**Description of the risk**

The Group operates in many markets and is exposed to changes in the economic, regulatory, social or political environment that may adversely affect consumer demand, disrupt its operations or dampen its profitability since the potential impacts may be material in regions where the Group has a large presence.

**Example case(s)**

- Lower tourist numbers influenced by factors such as political instability, security threats and changes in customs or tax policies.
- Failure to consider changes driven by macro-economic trends and a deterioration in the future outlook for the Luxury industry on a global level or specifically among key categories of consumers (Chinese consumers, pre-owned products, etc.).
- Major events with an international reach, such as a political crisis or instability or wars, could have a material impact on the Group's production and distribution operations.
- Economic sanctions or export controls that could affect the Group's sourcing or distribution activities.

**Actions taken**

**Group's strategy and market positioning**

Both the Group's market positioning and strategy (see section 5 - Our strategy of chapter 1 - Presentation of the Group and Integrated Report for more details) help limit the impacts of macro-economic cycles and uncertainty on its activities:

- The diversity of the brands' geographic footprints helps limit the Group's exposure to uncertainties and a deterioration in a given country's economic or security environment. The Group's distribution network remains balanced across the regions: sales are made through a network of 1,813 directly operated stores, spread evenly across the main regions and through its online presence;
- In addition, the diverse range of product categories (couture and ready-to-wear, leather goods and accessories, jewelry and high jewelry, eyewear, fragrances, and cosmetics) sold through the various Houses reduces the Group's dependency on any particular category;
- The Group has demonstrated in the past its ability to adapt its organization, operating methods and strategic priorities in response to changes in the macro-economic and technological environment. Its level of profitability and of cash generation allows it to invest for the long-term and to weather sector slowdowns, even though the downward adjustment of cost bases remains a long and complex process in an industry where the proportion of fixed operating expenses is high;
- The acquisition of a shareholding in Vestiaire Collective and other initiatives should enable the Group to gain additional knowledge of the pre-owned Luxury market.

**Sanctions Policy**

The Group has also introduced a "Sanctions Policy" enabling it to guard against risks related to economic sanctions and export controls. These measures have been significantly reinforced by certain jurisdictions because of the armed conflict between Russia and Ukraine. The Sanctions Policy was adopted and deployed by the Group in 2016 was most recently updated in 2023. The Policy is supported by a guide setting out the measures that need to be taken to ensure compliance with sanctions against Russia and Belarus. The guide was first published in March 2022 and updated in January 2023 and details the measures that each sales channel and department must take to identify risky situations, block problematic or prohibited transactions and report them to its hierarchy.

**Situation in Ukraine and Russia**

The Group has taken steps to prevent the supply of sanctioned luxury goods to or for use in Russia. The Group also reorganized its diamond supply chain and has ceased sourcing them either directly or indirectly from Russia. It should be noted, however, that its diamond purchases from Russia were not material.

The armed conflict between Russia and Ukraine that began in February 2022 continued to have a very limited direct impact on the business activities of major Luxury brands. However, it contributed to inflationary pressure and the deterioration in the global economic outlook. As a reminder, the Group's exposure is limited. Since in 2021 Kering generated around 1% of its total revenue in Ukraine and Russia, and the net value of its assets there was not material at the end of 2021 (around 0.1% of the Group total assets). The value of those assets was written down in full in 2022.

Kering believes it has taken the requisite measures to reduce as far as possible the likelihood of risks occurring and to mitigate their impact. Depending on its duration and extent, the conflict could affect the economic growth of the main areas and therefore the Luxury market over a longer period. Since that impact is indirect, however, it does not appear possible to quantify it precisely.

## Distribution network

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Rather likely | Significant | Average | Average | Average | Significant |

**Description of the risk**

Flawed organization of distribution resulting in the Group (i) selling the Houses' products in points of sale that fall short of quality standards and tarnish the image of the Group's brands; (ii) not achieving a sufficient degree of control over product marketing; (iii) being absent from certain markets or not having access to certain customer segments; and (iv) not keeping pace with changing fashions and shopping venues.

**Example case(s)**

- Poor store location.
- No stores in a promising market.
- Inadequate sales performance or profitability of a point of sale.
- Overexposure of wholesale distribution, affecting directly operated stores.
- Development of the parallel market fueled by retailers.

**Actions taken**

Actions taken are as follows:

**Directly operated stores**

- Optimization of the directly operated store network by the Houses (opening of new points of sale, closure or relocation of those that are the least well-located or profitable, renovation of stores to make sure they remain attractive and productive). A profitability study and an assessment of strategic and operational benefits are carried out prior to every investment decision related to the network. One-off studies may be carried out two or three years after the investment to ensure the business plan has been executed properly.
- Optimization of how stores operate through regular and close monitoring of the main retail indicators. The Houses can plan in advance for any decision to strengthen in-store teams or extend or redevelop sales space, for example.

**Wholesale activities**

- Regular review of wholesale distribution contracts by the Houses' teams with the support of the Group's Legal Department to ensure that each House's distribution network is as efficient and effective as possible. In addition, a team from Kering's Finance Department tracks the solvency of all the Group's wholesale accounts and monitors payment collection.
- Efforts made by the Group to streamline the wholesale channel since late 2019. This has resulted in a decline in revenue and, in certain cases, especially for e-tailers, a conversion to a concession format.

**Parallel distribution networks**

- The Group prevents sales of its products by parallel distribution networks by ensuring the traceability of its goods, prohibiting direct sales to these networks (gray market) and implementing specific measures to tighten control over these distribution channels.

## Governance and business model

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Rather likely | Average | Average | Significant | Average | Average |

**Description of the risk**

Difficulties experienced in achieving the Group's strategic and operational objectives.

**Example case(s)**

- A House's over-reliance on its Creative Director.
- Loss of appeal suffered by a House due to changes in the Creative Director's expression of their creative talent.
- Difficulty anticipating changes in consumer expectations.
- Inappropriate decision-making and lack of accountability.
- Internal processes, individuals and systems that are not fit for purpose, or external events that impair the organization's ability to operate effectively.
- Inappropriate management practices and operational failures that are detrimental to the organization's reputation and stakeholder confidence.
- Weaker-than-forecast operational and financial performance of companies acquired.
- Difficulties unlocking synergies and integrating staff, unsuitable information systems, etc.

**Actions taken**

### Governance and organization

In July 2023, Kering announced a series of top appointments, including Francesca Bellettini as Deputy CEO in charge of Brand Development, and Jean-Marc Duplaix as Deputy CEO and Chief Operations Officer. This new organization improves the Group's business-line expertise, and makes its operating methods more fluid and responsive. By improving its execution capabilities, at the level of both the Group and its Houses, the changes are enabling Kering to speed up its transformation.

In addition, Kering ensures that Creative Directors are supported and stimulated in their work and their quest for new inspiration. Continuous interaction between the House CEOs and Group Management promotes dynamic management of the Houses and improved responsiveness. Regular interaction between the Chief Executive Officer and the Creative Director of each House preserves the value of that House and ensures that its identity is respected over time. Any accounting impacts of impairment losses, which could arise from a loss of appeal suffered by a House, are described in Notes 11, 33.11 and 33.12 to the 2024 consolidated financial statements.

### Integration of acquisitions

The Group mainly expands through organic growth, supplemented where appropriate by selective acquisitions. All acquisition plans are reviewed and approved by governance bodies based on financial and investment criteria. These projects are reviewed systematically and extensively (strategic, technical, operational, financial, legal, HR, compliance reviews, etc.) with all the related risks and opportunities being analyzed and assessed as part of the process.

Adjacent segments (Kering Eyewear and Beauty) have a roadmap, dedicated project teams and a plan covering all the processes that need to be integrated. Project teams are made up of the Group's employees and employees from the companies acquired. For example, a post-acquisition compliance audit – such as that carried out with respect to Creed in 2024 – ensures that Kering standards on combating corruption, money-laundering, sanctions, human rights and the duty of care are upheld. In addition, coverage of Maui Jim's insurable risks was incorporated i the Group's program during 2023.

## Ethics and risks of fraud and corruption

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Likely | Significant | Average | Low | Average | Average |

**Description of the risk**

Acts of active or passive corruption, influence peddling or fraud involving an employee or manager of Kering or its Houses.

Breach of ethical standards and expectations potentially tarnishing the Group's reputation.

**Example case(s)**

- Giving gifts, extending hospitality or providing free travel to business partners, public officials or other decision-makers in order to unduly influence a decision related to the Group.
- Sponsoring or making donations with the aim of unduly influencing a decision related to the Group, for example by making a donation to a charitable organization that then passes on the money as a bribe to a third party.
- Misuse of a real-estate transaction as a means of bribing a third party, for example by taking a lease over premises that ultimately belong to a public official to unduly influence a decision related to the Group.
- Undue award by a Group employee of a contract to a supplier (product supplier or other) in return for a bribe from the supplier.
- Breach of the Group's ethical rules in its business conduct that jeopardizes Kering's long-term future, which depends to a large extent on the trust of its customers, employees, shareholders, business partners and all its stakeholders.
- Incident caused by conduct contrary to the Code of Ethics and related procedures by an entity or individual under the Group's control, or with which it has a business relationship, that could seriously harm the Group's reputation.

**Actions taken**

The Group seeks to ensure that no incident arises due to an unethical conduct on the part of entities or individuals under its control, or those with which it has business relationships. To this end, each of Kering's Houses has a corruption prevention program.

They also each have a crisis management policy and unit that liaises with Kering's headquarters. The Group also monitors its staff's adherence to the Kering Group Charter, which defines the framework for the decentralization of the organization, and to the Code of Ethics, which is available in 14 languages.

### Commitment of the governing body and Compliance organization

The Compliance Program in general, and the anti-corruption system in particular, are ultimately the responsibility of François-Henri Pinault in his capacity as Chairman and Chief Executive Officer of Kering SA. François-Henri Pinault is involved personally in developing and implementing the anti-corruption program within Kering and its houses, both internally and externally. This commitment supported by Executive Management and the Board of Directors is relayed within the Houses by the Chief Executive Officers. A specialized unit has been set up consisting of the Group Chief Compliance Officer, lawyers and Compliance Officers.

### Ethics organization

To ensure that the ethical principles defined by Kering are complied with and integrated into its day-to-day activities, the Group has set up an ethics and compliance organization. More specifically, the Compliance department is led by a Group Chief Compliance Officer, who is supported day-to-day by a team of lawyers, a network of Brand Compliance Officers and Regional and Local Compliance Officers, who are in charge of applying the compliance program. In addition, in order to provide advice and deal with alerts related to potential breaches of the Code and related procedures, the Group Chief Compliance Officer chairs the Group Ethics and Compliance Committee, which is supported by two regional committees (for Asia-Pacific and the Americas). These committees are made up of members of the Group Compliance department, as well as members of other departments within the Houses who are selected on the basis of their seniority, expertise and impartiality. The committees are in charge of ensuring that the whistleblowing system is accessible and understandable, but also of making impartial inquiries and taking appropriate disciplinary measures with the stakeholders concerned. Finally, the committees also assess and recommend all relevant initiatives aiming to promote a culture of integrity within the Group.A detailed description of this organization is presented in section 4.1 "Business conduct: Ethic: the foundation of the Group's operations" of the Sustainability statements.

**Measures implemented**

The management framework for this risk has three priorities. It is presented in detail in section 4.1 "Ethics, the foundation of the Group's operations" of chapter 4.

- Prevention:

  The Code of Ethics draws on the Group's key founding principles in the area of ethics, which are then set out in greater detail in other policies and procedures.

  The anti-corruption policy, internal control procedures and guidelines have been drafted to assist Group employees with applying the procedures in the situations identified as being most at risk.

  At the same time, the Group also ensures that its suppliers adhere to the principles laid down in the Group Suppliers' Charter.

  Due diligence procedures for all direct and indirect suppliers, acquisition targets, joint venture and consortium partners, retailers, as well as beneficiaries of sponsorships and donations, have also been tightened up so as to better prevent the risks of corruption, fraud, money laundering and violation of economic sanctions. These procedures supplement the Hercules project (see section 3.2.1 of chapter 4).

  In addition, employees identified as being most exposed to corruption and influence-peddling risk are given customized training to enhance first-level control over the new procedures. These training sessions, which were delivered to 3,223 employees in 2024, complement the mandatory Ethics and Compliance e-learning courses updated on an annual basis for all the Group's employees. This training is run for all Group employees (attendance rate of 98% in 2024) to remind them about the fundamentals of ethics and their obligations in this regard and about the Group's whistleblowing system.
- Detection:

  – A procedure is in place for reporting concerns and to detect potential risks relating to ethics and compliance;

  – Second- and third-level compliance checks ensure the compliance program is implemented.
- Remediation:

  Where a breach is identified, action plans are set up to remedy and/or prevent the occurrence of such breaches. Those action plans help to drive continuous improvement under the program.

## Supply chain efficiency

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Rather likely | Average | Significant | Low | Significant | Average |

**Description of the risk**

Inventories that are too high for the actual or forecast level of sales, causing the gross margin to decrease and consuming an excessive amount of resources relative to the quantity of goods sold.

**Example case(s)**

- Level of inventories above targets for a given product item in one or more markets.
- Overstocking of raw materials or components relative to production volumes.
- Storage capacity saturated in a region.

**Actions taken**

To mitigate this risk and achieve its decarbonization targets, the Group has implemented a number of measures at various levels:

- Continuous improvement in the quality of sales forecasting (using algorithms) to align purchases and production based on the expected level of business in order to optimize the quantities produced;
- More accurate allocation of product items in a given collection to markets/stores using artificial intelligence support systems;
- Modernization of the logistics organization to make it more responsive to changes in the marketplace, shorten delivery times and thus cut the level of inventories held in markets;
- Coordination of initiatives among the Houses and at Group level to optimize sales of the oldest collections (distribution and pricing strategy tailored to distribution channels, with the aim of maintaining brands' exclusive nature);
- Efforts to increase the efficiency of product manufacturing processes to curb the use of materials, reuse production waste (e.g. the scrap-less project), reduce waste and facilitate upcycling under the Circularity Ambition program. The Group and the Houses are committed to not destroying products or surplus materials, and to ensuring that they can be reused, recycled and repurposed;
- Developments regarding the circularity of packaging, based on the four principles of ecodesign and circularity – known as the 4Rs, i.e. Reduce, Reuse, Recycle, Reintegrate – from design to disposal, including the plan to eliminate single-use plastic packaging;
- Initiatives to promote the circular economy and give products a second life, such as Kering Ventures' investment in Vestiaire Collective.

The policies, projects and actions implemented, the outcomes achieved and the associated performance indicators relating to the Group's circularity approach are presented in detail in section 2.5 "Developing circularity" of the Sustainability statements.

## Production

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Likely | Average | Significant | Low | Significant | Average |

**Description of the risk**

Unavailability of the raw materials necessary to manufacture the Group's products, which must comply with the Group's quality criteria and be obtained in accordance with the Group's ethics, environmental, social and quality standards.

Non-compliance of products sold with quality and safety standards. Product returns and reputational risk.

**Example case(s)**

- Volatility in the prices of raw materials, such as leather, skins and precious metals and stones. Supply instability.
- Increasing scarcity of resources associated with growing demand, impacting the production, availability, quality and cost of raw materials.
- Loss of biodiversity and pollution caused by intensive livestock farming, which threatens, or may threaten, the production of high-quality raw materials. More generally, soil degradation and depletion and habitat destruction represent a significant risk to the maintenance of high-quality livestock and crop farming.
- Manufacturing disruptions caused by the unavailability or decreased quality of raw materials due to climate change and its impact on biodiversity, water availability and the destruction of soils and ecosystems.
- Ending a business relationship with a dependent supplier, resulting in that supplier experiencing financial difficulties or even insolvency and thus affecting its liquidity and ability to comply with its other supply commitments.
- Failure by a supplier to meet Kering's ethical, social, environmental and animal welfare standards, potentially harming the Group's image and reputation.
- A defect leading to a product return by the consumer and thereby harming the Group's image and reputation.
- A defect potentially affecting consumer health or safety (e.g. allergies) leading to a product recall.

**Actions taken**

In order to bring to market high-quality products that are compliant with these standards, the Group implements quality control processes covering all of the stages of the product lifecycle, from design to marketing. Products are classified using quality and safety standards, while suppliers are listed on the basis of technical audits and adherence to the Group Suppliers' Charter. Product quality and safety controls are carried out at all stages of the production process by quality engineers and accredited laboratories.

Through its supplier selection process, the Group makes certain their practices fulfill the Group's ethical, environmental and social requirements laid down in its Supplier Charter included in the Code of Ethics and its Sustainability Principles, which are stated in contracts with suppliers. Compliance with these practices is confirmed during the employment audits carried out every year. The Group ensures that its suppliers abide by the applicable laws and regulations and that its supplies meet international standards. In addition, Kering supports its suppliers as they transition to more sustainable standards and has set up a collaborative portal (Vendor Portal), making training and various key documents freely available to suppliers and enabling the Group to evaluate their environmental and social performance by means of questionnaires. Some production lines may be internalized following detailed analysis of the main suppliers.

Kering is also looking at the following areas in order to secure its sourcing over the long-term and support natural solutions:

- Implementation of the Kering Standards by suppliers, with a target of having 100% of raw materials used by the Group in line with the Kering Standards by 2025. These standards focus on five areas: social impact, environmental impact, traceability, use of chemicals and animal welfare. Kering has also published specific standards on animal welfare to ensure that animals are treated as humanely as possible throughout the Group's supply chains. Kering has published a guide to best practice explaining to suppliers how it wants to change practices in the luxury industry beyond 2025;
- The quality, safety and stability of the Group's supplies of animal and plant-based raw materials depend on strict compliance with major conventions in this regard, first and foremost the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), and on the sustained equilibrium of ecosystems, some of which are already under threat;
- Implementation of the Group's Biodiversity and Water Strategies and its strategy regarding the development of regenerative agriculture in particular through the Regenerative Fund for Nature, which is intended to help farmers in Kering's supply chain in various parts of the world make the transition toward regenerative agriculture. In 2024, Kering supported seven projects in six countries;
- Development of alternative materials with the Material Innovation Lab (MIL) and the Jewellery Innovation Lab (JIL). The Material Innovation Lab (MIL) supports the Group's Houses by pursuing three targets: (i) develop and make available materials aligned with Kering Standards to replace traditional materials (organic cotton and wool, sustainable cashmere, recycled plastics, etc.), (ii) secure larger volumes of sustainable raw materials, develop multi-brand synergies and map the supply chain from field to final supplier, and (iii) identify, assess and select sustainable innovations. The JIL's role is to help the Jewelry Houses with adopting more sustainable practices.

The Group relies on integrated production and a supplier organization that ensures greater agility and flexibility, so it can adjust orders and restock items throughout the season based on quantities sold. The Group has forged special partnerships with key suppliers and pursues a policy of actively seeking new partners. It also develops synergies within the production chain by means of acquisitions and strategic business partnerships in the subcontracting market.

The Product Compliance teams support the Houses in developing and distributing products that comply with legal requirements in each market and with the Group's Product Restricted Substance List (PRSL), which specifically lists the substances to be removed or thresholds not to be exceeded, as well as the highest standards for the disposal of hazardous chemicals. Since 2021, the organization has been strengthened by the addition of the Test & Innovation Lab (TIL), which has ISO/IEC 17025 (Accredia) accreditation. This is a laboratory that supports the testing and problem-solving activities and the R&D projects of the Group's Houses. In addition, Kering has committed to ensuring that hazardous chemicals are removed from manufacturing processes and has drawn up a Manufacturing Restricted Substances List (MRSL). Likewise, the Group systematically embraces environmental standards and best practice in health, safety and environmental terms across all its production activities.

All the Group's businesses also have product crisis management units. In the event of a known risk, they follow procedures ensuring that immediate and transparent information is provided to the public, and that defective products are recalled.

Lastly, the Group has also taken out civil liability insurance to cover physical injury or property damage to third parties caused by products considered defective (see section 2.7 "Insurance and risk protection" of this chapter).

Chapter 4 "Sustainability statements" of this Universal Registration Document presents details of the policies, projects and actions implemented, the outcomes achieved and the associated performance indicators relating to:

- The quality and safety of products in section 3.4 S4 – "Commitment to customers";
- The Group's raw materials and biodiversity conservation efforts in section 2.4 "Preserving biodiversity and ecosystems" and more generally Kering's environmental policy within section 2 "Environmental information";
- Guidance and support for suppliers as they transition to sustainable practices in section 3.2 S2 – "Working together to build sustainable and socially responsible supply chains".

## 2.4 Expertise-related risks

### Real estate

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Likely | Average | Significant | Average | Significant | Significant |

**Description of the risk**

Difficulty negotiating leases, renting or buying premises on the best terms in certain locations for the Group or the Group's Houses due to the competitive market, the scarcity of premium real estate in certain cities, the term of contractual commitments and the lack of control over economic factors.

Difficulty delivering construction/renovation projects on time and on budget.

**Example case(s)**

- Loss of points of sale that are strategic for the Group's Houses.
- Reduced bargaining power during negotiations for a new lease or the renegotiation of existing agreements as a result of competition and market pressure.
- Failure to comply with real estate law or new regulations (e.g. large-scale projects requiring building permits, prior declaration, commercial permit or authorization to carry out works).
- Incomplete assessment or an assessment that includes an anomaly (e.g. a finding of asbestos or lead) that may result in a project going over time or over budget.
- Delay in the delivery of a real estate project (e.g. a new store or store renovation).
- Refusal or delay in obtaining a building or a commercial permit or authorization.
- Construction site accident.
- Insolvency of a contractor resulting in delays in making premises available.
- Default or non-compliance by an owner leading to a delay on or cancellation of a project.

**Actions taken**

Two separate teams handle matters arising according to the type of project: one looks for and conducts negotiations concerning real estate assets (renting/letting or buying/selling), while the other manages the most complex construction and renovation projects. The tasks overseen by these teams can be summarized as follows: (i) assisting the Group and the Houses with the opening, relocation and renovation of stores, offices/showrooms, and industrial and logistics sites, (ii) acquiring/selling buildings, (iii) establishing specifications for construction projects, (iv) overseeing works as project owner, and (v) managing sites owned or rented by Kering Corporate.

The controls implemented to curb the risks are:

- For real estate projects:
  - leasing: (i) compliance checks of the lessor and intermediaries; (ii) use of market studies and/or references/benchmarks from real estate experts; (iii) negotiation of lease terms and conditions with real estate, construction, legal and financial experts (internal and/or external); (iv) regular monitoring of leases, particularly before critical lease dates (termination date, end of lease, rent review date, etc.); (v) regular discussions with our partners to anticipate or resolve operational constraints and/or exceptional situations (e.g. works, disposals, Covid-type events),
  - investment: (i) a compliance check of the seller and intermediaries (ii) a complete due diligence procedure including a financial, legal, tax and technical analysis of the property to highlight potential warnings; (iii) systematic reviews of current and future contracts (commercial lease, contract with companies involved in the building, service provision contract, etc.); (iv) creation of steering committees for projects deemed significant, with the real estate, construction, legal, tax, insurance and accounting departments taking part in committee meetings; (v) a valuation of the building by at least one external real estate appraiser;
- Construction: (i) the implementation of a procedure for executing and monitoring construction projects, (ii) the use of standard contracts across regions, and (iii) invitations to tender that include verification of the financial and technical viability of the contractors consulted. Furthermore, Kering seeks to obtain environmental performance labels (e.g. BREEAM, LEED) for the majority of its properties;
- Establishment of a network of real estate experts, present in key countries, so that it can leverage the expertise of employees and specialists who know the market's specific characteristics plus local laws and regulations, and also have the necessary negotiating skills;
- Compliance audits by the Compliance Department to ensure that new partners comply with the applicable laws and regulations.

## Cybersecurity and IT systems

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Rather likely | Significant | Significant | Average | Significant | Significant |

**Description of the risk**

Difficulty preventing or detecting malicious cyberattacks made through a digital communication channel, leading to the disclosure of the Group's key information, financial losses, alteration or corruption of its digital assets or reputational harm.

Failure of information systems (IS), which now play a vital role in the Group's business processes (such as sourcing, distribution and digital) and support processes (such as finance and HR).

**Example case(s)**

- Different information systems in operation within the Group.
- Delays in the deployment of new software programs or applications.
- Information systems unable to meet customers' needs.
- Failure to keep security patches up to date.
- Inadequate separation of information systems within the Group or the Houses, creating a risk of cross-infection in the event of a virus attack.
- Cyberattack.
- Leaks of personal data.

**Actions taken**

The Group runs a multi-year investment program to adapt, improve, tighten up security and increase the durability of its information systems. Action taken includes:

### Prevention

- Implementation of procedures. The Group has increased IT security, notably through a transformation plan, and stepped up employee awareness initiatives by implementing a large number of control and protection measures, including establishing procedures and developing targeted IT security systems.
- Since introducing conditional access controls based on authentication strength for users in 2022, the Group continued to reinforce access to its sensitive internal applications in 2024. It has also made significant efforts to harmonize the security settings of services exposed to the internet in the last three years, in order to prevent system downtime and the theft of client data.
- In addition, it has increased surveillance of external threats, increasing its ability to anticipate attacks targeting the Group and its brands. These anticipation processes are combined with automated checking and manual tests to correct any defects in the Group's information system as early as possible. All documents and procedures related to cybersecurity activities are formally collated and reviewed by third-party organizations annually to gauge their maturity and effectiveness.
- In terms of training, all employees have been trained to detect malicious emails, including via phishing simulation exercises conducted throughout the year. Moreover, the Group has developed e-learning modules on cybersecurity and data confidentiality, in addition to one on security and remote working. Best security practices in various areas (phishing, malware, passwords, etc.) were also circulated via the Group's various internal communication channels during 2024, with a special campaign held during cybersecurity month in October.
- GDPR (General Data Protection Regulation). The Group has taken significant measures such as anonymizing the customer data used in non-production environments, restricting access to customer data to authorized persons, carrying out risk assessments on all projects implemented by the Group in order to identify requirements in terms of data security, confidentiality, integrity, traceability and availability and thereby defining the appropriate security measures, entering into non-disclosure agreements with external service providers and adding security clauses to the Group's contracts with suppliers, and acquiring a customer identity management platform in order to secure the authentication process. The Data Privacy Officer is involved in these measures.

**Controls**

- Compliance of the Group's IT systems. The following actions are implemented every year to assess the level of compliance of the Group's information systems: penetration testing (pentests) on applications and simulated logical/physical attacks (Red Team), network vulnerability scans and applications, continuous cloud infrastructure audits, review of patch management procedures and obsolescence management, review of backup procedures.
- Audits of information systems and sensitive applications. The Information Systems Department (Kering Technologies & Digital) regularly conducts audits of these systems and applications.
- Benchmarking of security practices and process maturity. Third parties carry out assessments every year and their results are sent to management in accordance with the multi-year transformation plan.

**Incident management and continuity plan**

- Security incident management that may impact personal data or operations. The Group has set up a Security Operations Center on hand 24/7 and responsible for detecting and resolving security threats and events, such as identity fraud, malware and information leaks. Detection capabilities and responsiveness have been strengthened by building and rolling out new tools for the Security Operations Center and setting up a Kering Computer Emergency Response Team (Kering CERT). In 2023, the Kering CERT processes were tightened up and approved by industry organizations such as InterCERT France. In 2024, the Kering CERT joined the FIRST community, helping to secure its continuous improvement.
- Business continuity and recovery plan. Business continuity and recovery plans are regularly updated with the assistance of the Houses' security departments, and their efficacy is closely monitored. In 2024, as part of continuous improvement efforts, the recovery plan was tightened up with increased testing on critical applications and infrastructure. The crisis management framework was enhanced and training drills were carried out.

The Group also works with peers to reduce exposure to this type of risk. The Group has joined Campus Cyber to build closer ties with the French cybersecurity community and now plays an active role in working parties and governance.

## Legal risks

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Rather likely | Significant | Average | Average | Average | Significant |

**Description of the risk**

Non-compliance with the applicable standards and/or national laws and regulations, resulting in legal proceedings and disputes arising in the normal course of business.

**Example case(s)**

- Lack of compliance with local standards including personal data protection.
- Non-compliance with customs standards.
- Misreporting of product origin.
- Impossibility of selling certain products due to non-compliance with local standards.
- Inaccurate declaration on compliance with the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
- Loss of strategic suppliers with specific skills, due to insolvency or a takeover by competitors, leading to a production shutdown.
- Dependence of a supplier on one or more of the Group's Houses, resulting in the supplier becoming insolvent on termination of the contractual relationship with the House(s) in question.
- Loss of strategic points of sale, which could lead to a decline in revenue.
- Failure to register a trademark or design in a timely manner.
- Allegations of intellectual property breaches committed by the Group's Houses, potentially leading to sizable claims for damages, as well as financial losses relating to the withdrawal of products and a negative impact on the Group's reputation.
- The infringement of registered trademarks and the copying of designs on the market, as well as parallel trading and copyright breaches, which could affect demand for genuine products created by the Group's Houses.
- The unauthorized use of registered trademarks and other intellectual property rights, the unauthorized sale of products created by the Group's brands and the distribution of counterfeit goods, damaging the Group's image.
- Actual or alleged breaches of competition law regulations that could have a material impact on the Group's business activities, reputation and financial position.

**Actions taken**

### Legal compliance and litigation

To guard against risks of non-compliance due to a lack of awareness of a legislative change, Kering provides its businesses with a regulatory intelligence service through its headquarters and support centers in the regions in which the Group operates.

The Group has implemented effective methods and procedures for identifying and managing its industrial and environmental risks within each of the entities concerned. These rely chiefly on the advice of duly authorized external organizations and advisors and adequately satisfy the customary technical and professional standards from a relevance and proportionality perspective under the applicable regulatory framework. An active prevention and safety policy is an integral part of these methods and procedures. Provisions have been set aside for the probable costs of disputes (e.g. complaints or litigation), as estimated by the entities and their experts. According to the Group entities' experts and advisors, no litigation currently in progress concerning Group companies presents a risk in the normal course of the Group's business or its future development. Provisions were set aside in the Group's 2024 consolidated financial statements to cover all of the above-mentioned legal risks, including the impact of commitments given on the disposal of controlling interests (see Note 24).

- None of these risks have been identified as arising outside the normal course of business for Group companies.
- The Group considers that the effective methods and procedures for identifying and managing its industrial and environmental risks within each of the entities concerned, which rely chiefly on the advice of duly authorized external organizations and advisors, adequately satisfy the customary technical and professional standards from a relevance and proportionality perspective under the applicable regulatory framework. An active prevention and safety policy are an integral part of these methods and procedures.
- Furthermore, the Group has granted various vendor representations and warranties in connection with disposals of controlling interests in subsidiaries made over the last ten years (see Note 24 to the consolidated financial statements).

As regards the laws and regulations applicable to the Group's activities (excluding possible international sanctions that may be imposed against certain countries but have no impact on the Group's activities), none are subject to specific rules or exemptions in any of the relevant territories. They are all subject to the same constraints and obligations as those directly applicable to its competitors in its different markets. The Company is not aware of any foreseeable regulatory or legislative changes that might contradict the foregoing.

In line with its commitments, the Group seeks to act in full compliance with the regulations applicable to its operations, including competition rules. For several years, the Group has implemented policies and guidelines concerning competition law, which have been made available to all employees. These lay down the principles and rules of conduct employees have to abide by in order to comply with the applicable rules. A specific unit reporting to the Compliance Department handles their deployment and monitors their application, and training is provided to the relevant employees.

To the Company's knowledge, there are no governmental, legal or arbitration proceedings (including any pending or threatened proceedings of which the issuer is aware) that are likely to have in the future or have had in the course of the previous 12 months a significant impact on the financial position or earnings of the issuer or its Group.

**Contract management**

The Group is not significantly dependent on any third-party patents, licenses or supply sources. The Group owns or has licensed rights to the trademarks, patents and intellectual property rights that it exploits, free of any restrictions on the right of priority or use (and of rights likely to restrict such exploitation) in all relevant markets. The same applies to the corporate names and domain names of the subsidiaries or entities, the names of the Group's stores and points of sale (see the "Real estate" section) and the trademarks and signs of the goods and services manufactured or marketed by the various Group entities. This situation does not preclude any of the trademarks belonging to the Group being licensed to third parties for the sale of goods or services under its trademark enhancement policy, as is the case with fragrances and cosmetics. In all cases, any such licensing agreements have been entered into under fair commercial and financial terms and conditions and have no impact on the ownership of the trademarks and signs belonging to the Group.

Further information on contractual obligations and other commitments is provided in Note 30 to the 2024 consolidated financial statements presented in this Universal Registration Document. The Group has strengthened its teams, particularly in the Legal Department and the shared services centers, to ensure that contracts with the Group's suppliers have been drafted appropriately. Since 2015, the Hercules program has strengthened the shared and standardized approach to supply chain management between the Houses.

Real estate contracts are reviewed by specialized teams (see the section on "Real estate" risks in this chapter for more details).

**Intellectual property**

The Kering Group regards intellectual property used in the creative and innovation processes of its Houses as crucially important and closely monitors developments in legislation and standards in order to identify and take into account the new risks and opportunities they may represent. For this purpose, the Group has adopted a general policy for protecting and defending its intellectual property, which is implemented by its Houses, and retains legal organizations at regional (Asia, the Americas and Europe), local (Houses and subsidiaries) and central levels, specializing in intellectual property management. In line with the general directives introduced by Kering, the Legal departments of the Group's Houses take steps to make sure products do not infringe the rights of third parties and determine which elements need protecting. The intellectual property rights portfolio is reviewed and updated on a regular basis to reflect and protect the activities of the Group's Houses.

Lastly, Kering works to protect its rights and campaigns against counterfeiting in all its markets, as this can have an impact on revenue and damage the reputation of the Group and its products. The Group takes steps to combat the various breaches of its rights, the sale and trafficking of counterfeit goods and goods, as well as imitations that devalue the creative work of the Houses. In physical markets, this policy is implemented through customs seizures, police raids and legal action and on the internet by withdrawals of advertising and investigations followed by litigation. Litigation is overseen by the Houses' Legal departments, according to the general policy principles recommended by the Group with the help of the Group's legal units and external advisors, in conjunction with the competent authorities at local level (subsidiaries). The cost of protecting rights is borne by the legal functions and aligned with the Group's scale and size.

All these measures are also applied to the Group's latest acquisitions.

### Compliance with the statutory framework protecting personal data (GDPR)

As a major player in the luxury industry, the Kering group's Houses process customer data that may be particularly sensitive, particularly in reputational terms. The Group therefore takes a holistic approach to personal data protection so that its staff has a firm practical understanding of the topic. The approach involves making the topic integral to the Houses' practices and strategies in the commercial and digital fields.

As part of the approach, the Houses are stakeholders of the Privacy Framework through the direct and formal participation of staff members managing the framework. The Privacy Framework paves the way for implementation of a governance system and a strategy for protecting personal data that is consistent worldwide. The various data controllers face many challenges in view of cross-border issues and the growing complexity of the legal framework for personal data protection.

The Group Privacy Officer is in charge of governance in relation to effective implementation of personal data protection, overseeing an active network of regional and local privacy officers (internal and external) in France, Italy, the United States, Brazil, the People's Republic of China, South Korea and Japan.

The network is supported by two sub-networks, each with a specific role:

- Each House has one or more Privacy Coordinators in charge of ensuring effective implementation of personal data protection policies and practices. Those Privacy Coordinators are accompanied by their own Data Protection Officers (as defined in the GDPR);
- A network of Privacy Assessors in charge of checking and ensuring the compliance of each project involving use of personal data. The latter network is in charge of ensuring the effective implementation of the Accountability Policy and the Personal Data Protection Policy from the design stage onward, in order to ensure that data is protected by default (privacy by design and by default).

This organizational structure allows data controllers to deal with changes in regulations from both a geographical and materiality point of view depending on the subjects concerned. In particular, 2024 saw the European Union consider matters relating to artificial intelligence and implement the AI Act (leading to an overhaul of data protection impact assessments or DPIAs), the introduction of local governance structures including local DPOs in accordance with the applicable legislation, consideration of matters relating to the transfer of data in the People's Republic of China, where a partial authorization has been granted, and in Europe, where framework agreements (including the DPA) and processes for analyzing the impact of personal data transfers have been overhauled.

Since supporting customers is a central concern of the Houses, the Group set up a shared service in 2022, guaranteeing effective and rule-compliant management of requests by individuals to exercise their right to access, correct, object to the processing of and delete the information gathered. In 2024, the Houses saw a further increase in the number of requests (up 14.1% versus 2023), requiring the allocation of specialized resources. The service is now provided to the Houses to ensure, on their behalf, that all requests received are processed rapidly and rigorously, regardless of the channel by which they are received and the type of request involved. In 2024, the average request processing time was four days, down from 11 days in 2023.

Finally, employee training forms a key part of the strategy implemented. In 2021, Kering introduced mandatory internal training (optional for external participants) with the aim of developing a culture that makes privacy a priority concern and genuinely addresses IT security issues head-on. The exercise was repeated in 2024, when it achieved a participation rate of over 93%.

# Financial risks

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Likely | | Significant | | | |

**Description of the risk**

Exposure to market risks (foreign exchange risk, interest rate risk, equity risk, counterparty risk) and liquidity risk.

**Example case(s)**

- Exchange rate fluctuations between the euro and the main currencies to which the Group has significant exposure (the US dollar, the Chinese yuan and the Japanese yen), which can significantly affect the amount of these sales and the Group's results stated in euros (see Note 21.2 to the consolidated financial statements for details of foreign exchange risk exposure and sensitivity).
- Fluctuations in floating interest rates, which may negatively affect results (see Note 21.1 to the consolidated financial statements for details of exposure and sensitivity to interest-rate risk).
- Failure of one of the Group's banks in relation to investments, hedging or funding.
- Were the market for bonds or NEU CP (short-term negotiable securities) to dry up due to exogenous factors such as a monetary crisis, potentially making it impossible to make new or tap existing issues, Kering would be forced to use its credit facilities or its available cash.

**Actions taken**

### Foreign exchange risk

The Group has adopted a hedging strategy to minimize the impact of currency fluctuations on its results. Accordingly, it uses derivatives either to hedge foreign currency trade receivables and payables, or to hedge highly probable forecast exposures and/or firm commitments.

Hedging periods are aligned with each House's business cycle and only marginally exceed one year at each reporting date.

The Group also hedges foreign exchange risk on financial assets and liabilities issued in foreign currencies by using currency swaps for refinancing purposes or for investing cash in euros or the local currency.

Note 21.2 to the consolidated financial statements sets out the nature of the hedging instruments held by the Group and its exposure to foreign exchange risk ("Exposure and sensitivity to foreign exchange risk").

Kering Finance SNC processes, controls and provides administrative support for foreign exchange transactions on behalf of Group companies. Its organization into front-office, middle-office, back-office and accounting departments ensures that tasks are properly segregated, transactions are kept secure and derivatives contracted internally are unwound on the market. Kering Finance SNC uses market-standard techniques and information systems to price currency instruments.

### Equity risk

The Group trades in its own securities either directly or through derivatives as part of its share buyback program in accordance with applicable regulations. Kering has also entered into an agreement with a financial intermediary to support the liquidity and maintain the regular quotation of its shares. This agreement complies with the Professional Code of Conduct drawn up by the French association of financial markets (Association française des marchés financiers - AMAFI) and approved by the French financial markets authority (Autorité des marchés financiers - AMF).

As of December 31, 2024, Kering held 819,085 treasury shares, representing just 0.7% of its share capital and confirming its low level of exposure in this regard.

Additional information on equity risk is provided in Note 21.3 to the consolidated financial statements.

### Interest-rate risk

Kering may use derivatives such as swaps or purchases of options to guard against changes in interest rates. Kering Finance SNC processes, controls and provides administrative support for interest-rate transactions on behalf of Group companies. Its organization into front-office, middle-office, back-office and accounting units ensures that tasks are properly segregated and transactions are kept secure. Kering Finance SNC uses market-standard techniques and information systems to price interest rate instruments.

Note 21.1 to the consolidated financial statements sets out the Group's exposure to interest-rate risk ("Exposure and sensitivity to interest-rate risk").

### Counterparty risk

Counterparty risk is mainly related to short-term investments, hedging derivatives and credit facilities arranged with each financial institution. Investment risk mainly relates to short-term deposits in the event that one of the Group's key banks fails. The risk related to hedging derivatives is the risk of the positive market value of derivatives being lost if one or more counterparties default, and the need to replace them with new hedges on potentially less favorable terms. The main risk related to bank credit facilities is that the facility may be unavailable when the Group wishes to draw on it.

The Group has set up a policy and monitoring system for counterparty risk. In addition, the Group's pool of partner banks consists of top-tier international banks.

Note 21.5 to the consolidated financial statements describes counterparty risk relating to derivatives as of December 31, 2024.

### Liquidity risk

Liquidity risk management for the Group and each of its subsidiaries is closely monitored and periodically assessed by Kering, based on Group and House-level financial reporting procedures. In order to manage liquidity risk that may arise when its financial liabilities are due, the Group's financing policy is geared toward extending its maturity schedule in order to limit the amount that needs to be refinanced each year. The Group's active risk management policy also seeks to diversify sources of funding and limit reliance on individual lenders.

The Group had unused confirmed lines of credit totaling €3,800 million as of December 31, 2024, up €615 million relative to December 31, 2023 (See Note 20.6 to the consolidated financial statements). In addition, as of December 31, 2024, the Group had issued €854 million of securities under its NEU CP program filed with the Banque de France.

When the Group makes short-term financial investments other than bank deposits, it always invests in money-market instruments, mainly with short maturities, in order to limit the risk of limited liquidity or high volatility in relation to the instruments.

As of December 31, 2024, the Group had cash and cash equivalents totaling €3,518 million. Information relating to liquidity risk is presented in Note 21.7 to the consolidated financial statements.

## Compliance with national tax laws and international standards

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Unlikely | Average | Low | | | Average |

**Description of the risk**

Non-compliance with the national tax laws and international standards applicable to Group entities, that may lead to tax investigations and disputes in the normal course of business.

**Example case(s)**

- The calculation of tax payable by Group entities not in compliance with local regulations.
- An entity's tax team not sufficiently qualified to understand its tax issues.
- Non-compliance with local transfer pricing requirements on intra-group transactions.
- Documents justifying the tax treatment of a transaction unavailable or incomplete.

**Actions taken**

As a responsible corporate citizen that acts in accordance with its Code of Ethics and its tax policy, Kering and all Group entities are firmly committed to complying with the applicable national tax laws and international standards everywhere they operate. Kering is also committed to ensuring that all Group entities pay all of the taxes due in each of the countries in which they operate. In France, according to its tax policy and its commitment to compliance and transparency, the Group signed a protocol to enter into a "tax partnership" in 2023.

Kering can rely on a team of tax specialists in each of its regions and at its headquarters. They are highly skilled and receive regular training to keep their knowledge up to date.

To understand the various tax-related issues that may arise, the Group Tax Department's main tasks are:

- Consolidating tax information from all Group companies;
- Understanding and monitoring tax issues that arise at national or international level and coordinating responses in compliance with the applicable laws and standards;
- Ensuring that intra-group transactions are documented as required;
- Providing technical support on tax-related matters during the preparation of consolidated financial statements.

The Tax Department has therefore implemented a number of verification and control tools to help identify and resolve any tax issues that may arise within the Group and to ensure compliance with the applicable national tax laws and international standards. These tools include: regular analyses of comparable information to ensure that intra-group transactions are carried out on an arm's length basis; annual reviews of Group entities; and close, detailed monitoring of any tax audits to which Group entities are subject.

In addition, the Tax Department actively ensures that all Group entities:

- Allocate all the physical, digital and human resources necessary to conduct their business;
- Only have a presence in countries where they actually conduct business;
- Comply with the applicable national laws and international standards on transfer pricing. It develops and updates all of the necessary documentation in this regard and provides the relevant resources, such as analyses of comparable transactions and functional analyses;
- Cooperate fully with local tax authorities and government agencies and, where relevant, share their experience and expertise.

## 2.5 People-related risks

### Crisis management

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Rather likely | Average | Average | Average | Average | Average |

**Description of the risk**

Inability to deal with an event with consequences potentially affecting the safety and security of the Group's employees, the continuity of its business and its image and reputation.

**Example case(s)**

- Major events (natural catastrophes, health or geopolitical crises, etc.).
- Criminal behavior, acts of terrorism.
- Major leak of confidential information, cyberattack.
- Strike and/or large-scale industrial action.

**Actions taken**

The Group's Safety Department has drafted a crisis management policy to (1) provide a reference framework common to all the Group's entities and to draw Departments' attention to the importance of advance crisis management planning, and (2) deliver a rapid and coordinated response to any major event potentially affecting the Group.

Every year, the Safety Department arranges crisis handling drills based on likely and realistic scenarios to train the crisis units put in place.

Specific crisis management plans have also been drafted by the Safety Department in the regions to prepare for risks that are likely to occur, such as earthquakes in Japan and conflicts in certain key regions for Kering. The Safety Department is supported by regional teams (APAC, MENA, Americas) in keeping these plans up to date and implementing them as necessary.

A crisis unit has been set up in each House to coordinate with the Group's Safety Department. Following on from the Balenciaga controversy, special training was provided in 2023 and 2024 to all members of these crisis units. The Safety Department have worked together with the Communication Department to put in place the procedures to follow in the event of a reputational crisis, as detailed in section 2.2 of this chapter (Creativity risks - Image).

Lastly, Kering Tech and Kering Ops, which are responsible for the Group's information systems and logistics, each have a crisis unit established and trained in responding to any crises.

In addition, safety and security procedures for in-store employees have been put in place, along with a safety policy for business travelers, outlining the arrangements and rules to be followed to curb the risks of their coming to harm during business trips.

In 2025, a logistics and transport security system will be rolled out from Italy across the Group.

## Talent

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Likely | Low | Average | Significant | Significant | Significant |

**Description of the risk**

Difficulty identifying and developing people's skills, and retaining them.

Potential loss of know-how among the Group's teams and particularly craftspeople and manufacturers within the supply chain or the communities from which the Group sources key and/or specific raw materials.

**Example case(s)**

- Departure of senior executives: inability to find, in a timely manner, a suitable successor for an Executive Management position (Chair/Chief Executive Officer, Deputy CEOs and Executive Committee members), as the result of departure or incapacity.
- Unexpected departure of a Creative Director, leading to a period of uncertainty that could have a significant impact on the brand (particularly in terms of image and reputation, asset write-offs, etc.). Any luxury house may have to face and manage this risk at some time, so they must be able to anticipate the consequences in order to be able to manage the situation more effectively.
- Dilution of technical craftsmanship in transformation, cutting and assembly. Extinction of traditional crafts.
- Difficulty of keeping talent: loss of key employees to competitors without being able to replace them internally.
- The Luxury industry is supported by numerous manufacturing communities worldwide. They are subject to the risk of social, economic and operational tensions such as disruptions to production and a shrinking talent pool.

**Actions taken**

### Talent

Kering's human resources policy aims to:

- Establish a long-term hiring strategy through international partnerships with schools and training organizations, and thus attract the best talent;
- Create a work environment that is motivating, collaborative, inclusive and respectful of each individual, fostering well-being at work; pay constant attention to working conditions, employee well-being and work-life balance;
- Encourage commitment to the Group and its values through training programs, talent management and an appropriate remuneration policy;
- Promote inclusion, diversity and gender equality;
- Develop internal mobility and opportunities for personal and professional growth, in order to make the Group more able to retain talent.

Kering has set itself the priority of developing talent and has therefore put in place tools and processes geared toward helping employees constantly expand their career prospects and strengthen their skills through mobility and career opportunities.

These aspects are presented in detail in section 3.1.5 of chapter 4, which describes all the HR policies, processes and initiatives for identifying, guiding and developing talent in order to build a common pipeline of previously identified internal talent and to prepare succession planning for key positions.

### Craftsmanship and local communities

Kering's craftsmanship preservation policy encourages the Houses to:

- Uphold high standards in terms of craftsmanship, thereby protecting cultural heritage and supporting local communities;
- preserve the quality and exclusive appeal that characterize the luxury products sold by the Group's Houses;
- Pass on skills and expertise possessed by craftspeople from generation to generation, in order to maintain the authenticity and quality of products;
- Establish long-term relationships with suppliers, based on trust and continuous collaboration.

To maintain the know-how of its Luxury businesses over the long-term, as outlined in section 3.1.6 of chapter 4, Kering runs personnel training and skills preservation initiatives and has internalized a number of functions that were previously subcontracted.

# 2.6 Sustainability-related risks

## Climate change

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Likely | Average | Significant | Average | Significant | Significant |

**Description of the risk**

A negative impact on the Group's activities due to the effects of climate change.

An inability by the Group to reduce its carbon footprint and adopt effective mitigation measures, which may result in sanctions, reputational damage and a failure to comply with climate targets. Lack of foresight, resilience or Group initiatives in response to the effects of climate change.

**Example case(s)**

- Physical impact of climate change linked to the chronic risk of extreme weather events (drought, flooding, water scarcity, etc.) on the supply chain or certain Group facilities: the higher frequency of these events could have a direct impact on the availability and quality of key raw materials such as cotton, leather, cashmere and silk, which would translate into greater price volatility, and may disrupt the supply chain, destroy assets or affect production operations and capabilities (restriction of certain practices), the distribution of finished products and business continuity (manufacturing or storage facilities etc.).
- Economic activity and even the social stability of certain regions (such as coastal regions in Asia) could be severely impacted by the effects of climate change, which would further increase pressure on the Group's supply chain.
- Transition risk and mitigation: greater regulatory burden, stricter environmental regulations, carbon taxes and operational investments related to energy efficiency and the decarbonization of activities, potentially having an impact on the Group's activities by increasing production costs (raw materials, energy, operational investments, transportation) and impairing operational flexibility.
- Inaccurate forecasting of consumer demand for responsible products.

**Actions taken**

Kering is deeply committed to combating climate change which, given the global economic and political outlook, has become a key issue that demands an effective response.

The Group's transition plan relies on a strategy with three key aspects:

- Contribution to the net-zero objective through its SBTi-validated trajectory;
- Contribution to reducing GHG emissions outside of its value chain;
- Ensuring the resilience of its business activities and adapting them to the effects of climate change.

In 2024, the Group updated its climate trajectory, aligned with the Net-Zero Standard of the Science Based Targets initiative (SBTi) and certified by the SBTi in late 2024. Kering's transition plan therefore sets certified targets for reducing GHG emissions by 2033 (short-term) and 2050 (long-term).

To achieve those targets, a decarbonization roadmap has been drawn up at Group level and adapted to each of the Group's Houses to fit its activity and the main emission sources identified. It is based on major projects covering all the Group's activities and main logistics sites, tanneries and stores, as well as its entire supply chain. The roadmap includes methods such as adjusting production volumes ("fair production"), increasing the amount of regenerative material in the Group's sourcing, taking energy transition measures at production and commercial sites, using new means of transport and optimizing production processes (see the Climate section of the sustainability statements).

As part of its contribution to achieving net zero, Kering has also made a voluntary commitment to reducing GHG emissions outside of its value chain by buying credits from GHG emissions avoidance or removal projects, which also help to protect and conserve nature.

The Group has adopted a more robust adaptation policy to ensure the resilience of: (i) Kering's most significant assets to the risk of damage and destruction; (ii) its raw materials sourcing; and (iii) its main operations (production sites, warehouses and stores).

The policies, projects and actions implemented, the outcomes achieved and the associated performance indicators relating to climate change and the Group's Climate strategy are presented in detail in section 2.1 E1 – "Combating climate change" of chapter 4 "Sustainability statements" of this Universal Registration Document.

## Human rights and fundamental freedoms

| PROBABILITY OF OCCURRENCE | COMPLIANCE/ LEGAL | FINANCE | HUMAN CAPITAL | OPERATIONAL | REPUTATION |
|---|---|---|---|---|---|
| Likely | Average | Average | Average | Significant | Average |

**Description of the risk**

Non-compliance with national and international standards or the Group's standards on human rights and fundamental freedoms, potentially compromising the Group's image and reputation.

**Example case(s)**

- Child labor/forced labor, people-trafficking.
- Non-compliance with standards for migrant workers.
- Poor working conditions.
- Excessive working hours.
- Salary levels that do not provide a living wage.
- Hazardous working conditions or conditions that fail to keep workers safe and healthy.
- Harassment and violence.
- Mining operations that are illegal or in conflict zones.
- Financing for wars or economic conflicts.
- Inequality of opportunity and discrimination.
- Failure to uphold freedom of expression.
- Failure to uphold the rights of populations and local communities (violation of private property rights, failure to conserve cultural heritage and craftsmanship).

**Actions taken**

As a Group that aims to create sustainable, responsible Luxury goods, Kering must identify and manage human rights-related risks in its sphere of influence (operations and supply chain) promptly and resolutely. By working in partnership with its suppliers and stakeholders to curb these risks and by sharing best practices, Kering protects the reputation of the Group and its houses and maintains the appeal of their creations. This commitment is underpinned by:

- A Code of Ethics and a Human Rights Policy, which have been drafted at Group level and cover Kering's operations and supply chains. Key documents forming an integral part of the contractual framework governing relationships with suppliers: a Supplier Charter included in the Code of Ethics and the Sustainability Principles applicable to suppliers;
- In 2024, the Group reviewed its map of risks pertaining to severe impacts on human rights and fundamental freedoms, health and safety and the environment, resulting from the Group's operations and supply chain. The assessments have been incorporated into the Group's overall map. An action plan was rolled out in 2024 and this will continue during 2025 to address the areas for improvement detected during this exercise. As well as the risk map, a review of Creed's activities (acquired by the Group in 2023) has been carried out, particularly from the human rights and duty of care point of view;
- A whistleblowing system open to everyone working for the Group: employees and interns of Kering and its Houses, as well as external and temporary personnel working for external partners or service providers under contract with the Group. It can be used to report any suspected violation of human rights and fundamental freedoms within the Group and its supply chains;
- A collaborative portal put in place in 2020 (the Vendor Portal) optimizing communication between Kering and its suppliers and providing them with easy access to training and key Kering documents – including on human rights – and also evaluating suppliers' performance through questionnaires in a number of key areas, including human rights and fundamental freedoms;
- Employment audits conducted each year across thousands of Group suppliers and service providers;

The policies, projects and actions implemented, the outcomes achieved and the associated performance indicators relating to human rights and fundamental freedoms are presented in section 3 "Duty of Care Plan" in this chapter and in section 3.1.7 "Compliance with human rights in direct operations" of the Sustainability statements.

# 2.7 Insurance and risk protection

The Kering risk management policy is based on the ongoing identification and evaluation of risks, risk prevention, protection of people and property, and safety and business continuity plans.

The Group's risk management policy also includes the transfer of risks to insurance companies.

## Insurance against risks

The policy of transferring material risks to insurance companies is determined centrally by the Group for all its Houses and entities across the world.

The strategy makes it possible to pool risks within the Group and therefore benefit from optimal and consistent insurance terms.

However, purchases of insurance cover take into account specific risks at each site and each company concerned in order to ensure that needs are covered as accurately as possible and that coverage is sufficient to reduce the financial impact of an incident.

The Group has arranged insurance programs with reputable insurers in the industrial risk insurance sector, with assistance from internationally recognized insurance brokers specialized in covering major risks.

The levels of coverage in place for the main risks facing the Group as a whole as of January 1, 2024 are summarized in the following table.

| Insurance | Characteristics |
|---|---|
| Property damage and business interruption | • Covers material damage that could affect Group sites (stores, warehouses, production workshops, offices) following various incidents such as fire, theft, water damage, civil unrest and natural risks.<br>• Up to €300 million of cover available for all sites and €500 million for the Group's most important logistics sites.<br>• Natural risk cover of €30-100 million. Additional cover is arranged for certain critical zones (California, Japan and Italy). |
| Civil liability | • Covers the liability of Group entities for physical injury, material damage or financial loss caused to third parties by its activities or products.<br>• Up to €150 million of cover available.<br>• An environmental damage liability policy is also in place, mainly for our production workshops. |
| Transport | • Covers material damage to or loss of goods in transit.<br>• Up to €15 million of cover available.<br>• Specific "Jewellers' Block" cover for our Jewelry Houses, covering their goods in all locations. |
| Cyber | • Covers the financial consequences of a cyber-type event such as a virus, ransomware attack, or breach or loss of personal or confidential data.<br>• Up to €40 million of cover available. |
| Credit | • Covers the financial consequences of any failure to pay by Wholesale customers. |
| Special risks | • Various other insurance programs are in place: Directors and officers liability, fraud, medical assistance (during business travel and for expatriates), vehicle fleet (France), construction etc.<br>• Specific policies may also be taken out, for example event cancellation insurance, deposit insurance and policies in response to local requirements and practices. |

The Group's insurance strategy is to achieve the best economic balance between risk coverage, premiums and self-insurance, while taking into account supply and constraints in the insurance market.

Accordingly, the Group uses self-insurance through its own reinsurance subsidiary. That subsidiary reduces the cost and enhances the performance of insurance because frequently occurring risks are pooled within the Group. As of July 1, 2024, the Group's reinsurance company covered damage and operating losses of up to €3 million per claim and €15 million per year.

The Group also favors long-term partnerships with its insurers, but regularly takes advantage of competition in the market in order to optimize costs and coverage levels.

In 2024, the Group's insurance budget equaled around 0.15% of its revenue.

Deductibles payable by the Group's Houses and entities remain extremely small and are not material.

In 2024, the level of claims was entirely normal in terms of both frequency and severity. There is no unusual information to report.

As well as simply transferring risks, the Group seeks to involve its insurers and brokers actively in its risk management.

As an illustration, the lead insurer of the property damage program makes around 20 prevention visits per year to the Group's main risk sites, the Group has an ongoing dialogue with its credit insurer, and regular claims reviews are organized in order to detect any shortcomings or weaknesses in terms of risk.

# 3 - 2024 DUTY OF CARE PLAN

## 3.1 Introduction

### 3.1.1 Legal framework

Respect for human rights, fundamental freedoms, the health and safety of people and environmental protection are fundamental values to which Kering is committed. The efforts made by the Group and its Houses to identify and manage risks relating to those values are described in this Duty of Care Plan, prepared in accordance with France's act No 2017-399 of 27 March 2017 on the duty of care of parent companies and ordering companies ("Duty of Care Law").

### 3.1.2 Kering's commitment

Kering has a long history of corporate responsibility in its approach to employees, suppliers, customers and other stakeholders as well as to the environment, as evidenced in particular by its first Ethics Charter in 1996. It endeavors not only to meet but to exceed its legal obligations in the area. The latest version of the Kering Code of Ethics is closely aligned with the major international conventions on human rights, fundamental freedoms and environmental protection. It sets forth the core commitments of Kering's approach in these areas. In this respect, Kering considers the requirements of the Duty of Care Law to be an integral part of its ethical commitments and undertakes to ensure compliance with these requirements in all its activities and throughout its entire supply chain.

Since 2017, Kering has updated its Duty of Care Plan annually through regular updates of its risk map as required by the Duty of Care Law. The most recent risk mapping exercise took place in 2023 and 2024 and covered all operations of the Group and the Houses. Over 150 staff members (including the Operations, Human Resources, Sustainability, Legal, Compliance and Audit functions of Kering and the Houses) were involved in preparing the risk map and drafting the Duty of Care Plan.

Kering's Duty of Care Plan presents an overview of the due diligence actions that Kering has undertaken to act as a responsible company. It is built around the key components established by the Duty of Care Law. The Duty of Care Plan has been shared with staff representatives through the European Works Council (EWC) and the Board-level Audit Committee. Specific communication on the subject has also taken place with the Board-level Sustainability Committee.

## 3.2 Risk map

As stated above, Kering has devoted significant internal and external resources to preparing the risk map. The exercise takes place under the Group's Compliance Department's oversight and in 2023-2024 covered the activities of Kering and all the Houses.

### 3.2.1 Scope

In line with the methodology adopted for the 2021 exercise, the following risks were identified and evaluated as part of the risk mapping exercise in 2023-2024:

1. *Forced labor*
   - Child labor
   - Forced labor/Illegal, clandestine or undeclared labor/ Migrant labor/Human trafficking
2. *Discrimination and harassment*
   - Diversity
   - Discrimination
   - Women's rights/Gender equality
   - Psychological or sexual harassment/Violence
3. *Absence of dialogue*
   - Freedom of association/Right to collective bargaining
4. *Decent working conditions*
   - Right to a living wage
   - Working hours
   - Dignity at work/Mental well-being
5. *Health and safety at work*
   - Safe and hygienic working conditions
   - Chemicals/hazardous substances
6. *Pollution and climate*
   - Energy consumption
   - Greenhouse gas emissions and climate change
7. *Waste and packaging*
   - Waste and packaging
8. *Water use*
   - Water consumption
   - Wastewater treatment
9. *Animal abuse and harm to biodiversity*
   - Animal protection
   - Preservation of biodiversity
10. *Local community abuses*
    - Land rights and displacement of populations
    - Preservation of cultural heritage/Local communities

### 3.2.2 Methodology

The risks listed above were assessed separately with respect to (i) the internal operations of Kering and the Houses, (ii) the operations of their first-level suppliers (i.e. suppliers with which Group companies have established commercial relations) and, as regards production suppliers, certain sub-suppliers, particularly as regards forced labor and working conditions, and (iii) the sourcing of raw materials. This risk map evaluated the gross risk and calculated net risk by evaluating and scoring the relevant controls in place.

First, gross risks related to internal operations were assessed based on a combination of objective factors (number of employees, production sites and warehouses located in each country) and external, independent indicators published by third parties covering specific countries and specific risks (varying for each risk and including among many others the Human Freedom Index, ITUC Global Rights Index, the Environmental Performance Index and the Animal Protection Index) assessing the potential impact and the likelihood of occurrence.

Second, gross risks related to the operations of suppliers were assessed based on the number of suppliers to the Group and the Houses per country and the related sales, which were once again combined with third party indicators covering specific countries and specific risks.

Lastly, gross risks related to the sourcing of raw materials were assessed for each country based on the data collected in order to prepare the Kering group's Environmental Profit & Loss account (EP&L) as part of the risk mapping process, using six third party indicators specific to each relevant country. The assessment also took into account two aggravating factors, i.e. whether the country appears (i) on the US Department of Labor lists of countries producing goods and products that are believed to be produced by child labor and/or forced labor, and/or (ii) on the list of conflict-affected and high-risk countries under EU Regulation No 2017/821.

The respective net risks were then obtained taking into account the assessment and scores resulting from the relevant controls. In this process, a distinction was also made to assess separately (i) the risks to which Kering and the Houses expose their stakeholders, and (ii) the risks to which Kering and the Houses are exposed as a result of their activities, taking into account the potential financial, legal (especially compliance) and reputational impact.

Overall, more than 150 staff members from the Operations, Legal, Compliance, Sustainability, HR, Internal Audit, Supply Chain Audit, Purchasing and Security functions of the Group and its Houses, were interviewed as part of the exercise, to get a better understanding of relevant risks, control measures already in place and measures to be included in the action plan. In addition, the exercise involved a review of almost 2,000 documents and the scoring of thousands of risks specific to each country in which the Group, the Houses or their suppliers have operations, based on 56 risk indicators supplied by third parties. In particular, this approach allows a more in-depth analysis of risks in certain scopes regarded as priorities.

### 3.2.3 Results

The results of the 2023-2024 risk-mapping exercise confirm to a very large extent the results of the 2021 exercise. The controls put in place to mitigate relevant risks related to the internal operations of Kering and the Houses appear sufficiently solid. As regards the activities of suppliers to Kering and the Houses, the related risks are mitigated by multiple controls and primarily by the introduction of the Hercules system (described below), which covers the onboarding of new suppliers and their subcontractors as well as the monitoring of their performance throughout the entire contractual relationship. Controls aimed at limiting relevant risks in the rest of the supply chain (outside the scope of the Duty of Care Law) are currently more limited, but are being continuously improved, including with respect to the traceability of raw materials.

The table below sets out the average net risks relating to the activities of Kering suppliers – not just suppliers with which the Group and its Houses have an established commercial relationship and including certain production sub-suppliers – and suppliers to the Houses, taking into account existing measures taken to address those risks.

| | Internal activities | Suppliers |
|---|---|---|
| **Forced labor** | | |
| Child labor | ● | ● |
| Forced labor | ● | ● |
| **Discrimination and harassment** | | |
| Diversity | ● | ● |
| Discrimination | ● | ● |
| Women's rights/Gender equality | ● | ● |
| Psychological or sexual harassment/Violence | ● | ● |
| **Absence of dialogue** | | |
| Freedom of association/Right to collective bargaining | ● | ● |
| **Decent working conditions** | | |
| Right to a living wage | ● | ● |
| Working hours | ● | ● |
| Dignity at work/Mental well-being | ● | ● |
| **Health and safety at work** | | |
| Safe and hygienic working conditions | ● | ● |
| Chemicals/hazardous substances | ● | ● |
| **Pollution** | | |
| Energy consumption | ● | ● |
| Greenhouse gas (GHG) emissions and climate change | ● | ● |
| **Waste and packaging** | | |
| Waste and packaging | ● | ● |
| **Water use** | | |
| Water consumption | ● | ● |
| Wastewater treatment | ● | ● |
| **Animal abuse and harm to biodiversity** | | |
| Animal protection | / | ● |
| Preservation of biodiversity | ● | ● |
| **Local community abuses** | | |
| Land rights and displacement of populations | ● | ● |
| Preservation of cultural heritage/Local communities | ● | ● |

Legend: ● Very high risk ● High risk ● Moderate risk ● Low risk

Action plans specific to Kering and to each House aimed at delivering improvements in the Group's practices in the areas referred to above and bringing the related risks under tighter control within the activities of Kering and the Houses or within their supply chains have been prepared and implemented by the end of each year in which a risk map has been completed. The main controls, both existing and currently being deployed as part of those action plans, are described in sections III and IV below.

### 3.2.4 Monitoring and updating

Kering updates its risk map on a regular basis so it can factor in any new entities, among other reasons, and ensure that measures and controls put in place are always sufficient and relevant with respect to the risks identified. As part of that work, an integration review was carried out with Creed in 2024 after its acquisition by the Group in October 2023, which included the review of 200 documents and interviews with 16 staff members. In addition, action plans specific to Kering and each House are regularly monitored by the Group Compliance Department and by the Houses in order to measure their effectiveness and ensure that they are properly implemented.

## 3.3 Regular assessments of the activities of subsidiaries, suppliers and subcontractors

### 3.3.1 Subsidiaries and other controlled entities

Since 2018, Kering has refocused its operations on luxury, and more particularly around the Couture, Leather Goods, Jewelry, Eyewear and Beauty Divisions.

#### 3.3.1.1 Stores

As of December 31, 2024, Kering's Houses directly operated 1,813 stores worldwide. As stated below, Kering has adopted standards to achieve its sustainability targets that cover the commercial activities of its stores. These standards provide specific guidance for achieving environmental efficiency during both the store planning and construction process as well as the store operation and management phases. The standards are regularly checked via specific audits that may relate to energy and water use, as well as waste collection practices.

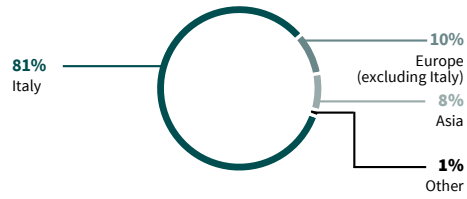
Moreover, as with all other Group premises, stores are subject to regular audits by the Group Internal Audit Department to safeguard compliance with local regulations and with Kering's policies and procedures. As noted above, the working conditions of store staff are reviewed as part of those audits, including the processes used to track working hours and employee leave.

#### 3.3.1.2 Offices and other premises

Offices and other premises owned or by Kering and its houses, including production sites and warehouses, are subject to periodic audits by the Group Internal Audit Department to ensure that applicable regulations are fully respected and internal policies and procedures are fully implemented. In addition to the more generalized testing of controls put in place, these audits assess the working conditions of employees by ensuring, for example, that employment relationships are always formalized by dedicated agreements (in particular with respect to temporary workers) and that salaries and working hours are properly managed and documented.

### 3.3.2 Suppliers and subcontractors

The Group works with several thousand suppliers to produce its Houses' collections. As of December 31, 2024, the Group-wide centralized supplier database (described below) comprised a total of 4,470 active suppliers throughout the Group. In 2024, the geographical breakdown of direct suppliers and subcontractors was as follows:




The Hercules system, which was first introduced in 2015, aims to create and share best practice regarding risk assessments and provide supply chain analysis for Kering's production processes. This is achieved through the tools described below. The Hercules system is regularly updated, and is currently being overhauled in order to strengthen controls over supplier activities with respect to matters such as working conditions, health and safety, and environmental aspects related to production sites.

**Supplier management procedures.** The Houses apply a set of consistent procedures for managing interactions with production suppliers, including with respect to selection, assessment and relationship management. Kering has also introduced a standard contract that incorporates its Code of Ethics (including the Suppliers' Charter) and its Sustainability Principles. Both documents are systematically issued to suppliers and form an integral part of the contractual relationship with Kering. These documents require full compliance with applicable regulations and the commitments contained in them must also be fulfilled by relevant sub-suppliers and subcontractors. In that respect, suppliers must obtain authorization from the Houses to be able to subcontract part of their production activities. In such cases, the controls described in this section, which Kering performs on its suppliers, also apply to subcontractors.

**Social and safety audits.** The Group conducts regular social and safety audits to assess and monitor the Group's production and supply chain operations. They are undertaken both directly and with the support of third party firms. The Group's audit protocol applies to all of the audits performed. These audits are performed by a team from the Kering Supply Chain Audit Department, which reports to the Group's Chief Operating Officer. The Group has made regular improvements to the relevant audit standards and processes. As discussed at greater length in the Sustainability statements chapter, the audits cover social (including child labor, forced labor and working conditions), environmental, and health and safety risks pertaining to the operations of Kering and of the Houses' production suppliers and certain direct suppliers of production materials. The frequency of audits varies according to several factors, including the related risks and any anomalies identified. If a major anomaly subject to a zero-tolerance policy comes to light during these audits (including forced labor or undeclared subcontracting), Kering will refuse to enter into the agreement with the new supplier or terminate the relationship with the existing supplier. In 2024, the Supply Chain Audit Department performed 4,550 audits on these suppliers. Findings from these audits are discussed in dedicated committees composed of representatives from key functions from both Kering and the Houses.

**Supplier database.** All Kering's Houses have access to a common supplier database, which includes findings from suppliers' audits as well as supplier information available from publicly available databases. At the end of 2024, this database comprised 4,470 active suppliers. It includes all production suppliers, the main direct suppliers of materials (leather, fabrics, ribbons, precious stones etc.). Kering Eyewear suppliers and suppliers deemed strategic and not included in prior categories.

**Vendor Portal.** Since 2020, Kering has designed and implemented a new supplier that acts as a tool for evaluations and the sharing of sustainability information. By means of dedicated questionnaires, the portal helps Kering assess suppliers' environmental and social performance, along with their methods for managing chemicals.

## 3.4 Control measures

As noted above, Kering and the Houses are committed to fully complying with the requirements set forth by the Duty of Care Law and to fostering a significant number of initiatives aimed at reducing risks in relation to respect for human rights and environmental protection throughout their operations and the supply chain. In this respect, Kering works in close synergy with its Houses to ensure that relevant controls are adequately deployed throughout the entire Group.

### 3.4.1 Key internal stakeholders

Kering takes a cross-functional governance approach to upholding human rights and protecting health, safety and the environment. Specifically, day-to-day human rights and environmental governance spans various departments at Kering and House levels.

**Compliance Department.** The Group Compliance Department is primarily responsible for monitoring the effective implementation of the commitments established by the Kering Human Rights Policy. As such, the Group Compliance Department is kept informed of relevant initiatives and coordinates the efforts undertaken by relevant departments at the Group and House level, including by pooling and sharing information. The Group Compliance Department also tests and assesses existing processes to map risks throughout the Group, and supports the Houses and relevant Kering departments in assessing risks associated with their day-to-day operations. The Compliance departments provide day-to-day support in connection with the operations of each House.

**Sustainability Department.** The Group Sustainability Department is responsible for defining and implementing the Group's sustainability strategy and policies and supporting the Houses with respect to their implementation. This departmentt is composed of almost 50 specialists who report to the Chief Sustainability and Institutional Affairs Officer, who is a member of the Group's Executive Committee. Overall, around 100 employees focus on sustainability issues within the Group's Sustainability Department, the Houses' Sustainability teams and dedicated structures such as the Material Innovation Lab and the Jewellery Innovation Lab.

**Human Resources Department.** The Human Resources Department is responsible for implementing controls to uphold human rights within the Group. This applies throughout the entire employee journey, including the recruitment process and working conditions, as well as in respect of employee health. Within the Group Human Resources Department, an Inclusion and Diversity (I&D) team defines the Group's strategy and priority commitments, guiding all of the Houses. In 2022, to make initiatives taking place within the Group more impactful and complementary, Kering adopted an overall strategy supported by a dedicated governance arrangement with a regional dimension, particularly in the Americas and Asia-Pacific. The Group recognizes that every culture has its own unique features, challenges and opportunities, and embraces this to achieve greater inclusion and shift mindsets. This vision was embedded in the agreement signed with the EWC in 2023, since championing a culture of inclusion and diversity within Kering is one of the key components of well-being at work, and was formalized in 2024 through an Inclusion and Diversity policy. In addition, each House has since 2020 set up an Inclusion and Diversity Committee, sponsored by a member of its management team. These committees are made up of representatives from the various departments and regions. Their role is to put the Group's inclusion and diversity strategy into practice within their respective entities, while adapting it to their specific cultures and local needs. These committees currently have more than 90 members.

**Internal Audit Department.** As discussed at greater length at the beginning of this chapter, the Group Internal Audit Department assesses the implementation of the Kering internal controls system within the Group's internal operations by performing regular audits in accordance with the Group's annual audit plan.

**Security Department.** The Security Department's responsibilities include implementing the safety measures set out in the Kering Global Safety Policy and verifying compliance with applicable safety regulations.

**Supply Chain Audit Department.** As noted above, the Kering Supply Chain Audit Department conducts regular social and safety audits to assess and monitor the Group's supply chain operations and oversees the performance of audits with the support of third party firms. Since 1, January 2025, this department has reported to the Group Operations Department.

**Product Compliance Department.** The Kering Product Compliance Department assists the Houses as regards testing substances in products, including through a dedicated in-house testing center based in Florence, called the Test & Innovation Lab.

**House teams.** Every House in the Group has dedicated Compliance, Sustainability and Human Resources teams responsible for verifying that the controls established by the Kering policies and procedures described below are properly deployed throughout their operations.

### 3.4.2 Key policies and procedures

Kering's subsidiaries, suppliers and subcontractors are required to abide strictly by local legislation and to comply with the policies and procedures summarized below. Should these policies and procedures set forth more stringent standards than those established by local legislation, the former must take precedence. Those documents are in addition to the compliance programs that Group entities have adopted and put in place under local law (such as Legislative Decree No 231/2001).

**Code of Ethics**. As noted above, the Code of Ethics forms the cornerstone of Kering's ethical and compliance commitments and, as such, includes the Group's engagements in upholding human rights, fundamental freedoms, health and safety and the environment. Building on this platform, the Suppliers' Charter lays down the standards and commitments expected of suppliers. Compliance with the Charter constitutes an essential condition of any commercial relationship between the Group and/or the Houses and their suppliers, which are in turn required to extend these requirements to their own suppliers and subcontractors. For example, the Suppliers' Charter includes a requirement to pay special attention to certain categories of workers, such as migrant workers, who are vulnerable to exploitation. The Code of Ethics and the Suppliers' Charter have been translated into the 14 most widely spoken languages within the Group.

**Human Rights Policy.** The Human Rights Policy, published in 2021 and available in French, English, Italian and Chinese, defines the Group's commitments on human rights and fundamental freedoms, health and safety, and environmental protection. The Human Rights Policy further outlines the Group's policies in this area and defines the means by which the Group and its business partners, including suppliers and contractors, can fulfill these commitments.

**Sustainability Principles.** The Sustainability Principles, created in 2015 and updated in 2023, are applicable across all Houses and cover three main areas: social aspects regarding human rights, environmental aspects, and aspects regarding the sourcing of raw materials and packaging. Suppliers are required to abide by these principles and supplier compliance is evaluated on this basis. The Sustainability Principles are outlined in the Sustainability statements and are available on the Group's website.

**Kering Standards and guidance for sustainable production.** In the pursuit of its commitment and approach to human rights and environmental concerns, Kering has published dedicated standards on the sourcing of raw materials, manufacturing processes and logistics, including in relation to products not intended for sale. Those standards are updated annually. As part of its 2025 strategy, Kering is committed to having 100% of its raw materials aligned with the criteria set out in the Kering Standards. A detailed description of the Kering Standards is provided in the Sustainability statements chapter. The Standards also include guides relating to circularity (including product end-of-life), innovation and environmental claims.

**Kering Animal Welfare Standards.** The Group published in 2019 and updated in 2021 its animal welfare standards with the aim of ensuring the best possible treatment for all species throughout the supply chain. The Kering Animal Welfare Standards form the first ever full set of standards for the luxury and Fashion sectors and aim to drive positive change in practices in industry and beyond. For each of the species concerned, the Standards highlight the specific challenges, laying down farming, transportation, and slaughter requirements, and provide a list of existing benchmark certifications. These standards also include guidelines for slaughterhouses.

**Environmental Policy.** Kering's Environmental Policy, which was updated in 2024, contributes to the fulfillment of the Care pillar of Kering's 2025 Sustainability Strategy. It covers all of the Group's operations and supply chain, focusing on the three key aspects of Climate, Nature and Circularity, which are each subject to targets and cross-cutting objectives, i.e. (i) 100% alignment with the Kering Standards by 2025; and (ii) 100% traceability back to the country of origin for the Group's main raw materials by 2025.

**Climate Strategy.** Kering firmly believes that companies can play a decisive role in the fight against climate change. In 2024, the Group updated its climate trajectory, aligned with the Net-Zero Standard of the Science Based Targets initiative (SBTi) and certified by the SBTi in late 2024. Kering's transition plan therefore sets certified targets for reducing GHG emissions by 2033 (medium-term) and 2050 (long-term). More information on Kering's Climate strategy can be found in the Sustainability statements.

**Biodiversity Strategy.** In 2020, Kering launched a dedicated Biodiversity Strategy with ambitious targets in order to become "nature positive", which means ensuring it has a positive impact on biodiversity over a wider area than the direct and indirect land footprint of the Group's activities. That strategy was updated in 2023 with greater emphasis being placed on various aspects including the policy of combating deforestation and converting ecosystems. In 2024, Kering was the first company to validate its targets for nature through the SBTN initiative regarding both freshwater and land occupation. More information on the Biodiversity Strategy can be found in the Sustainability statements chapter.

**Circularity Ambition.** Published in 2021, the Group's Circularity Ambition plan aims to demonstrate that moving away from the conventional model of "take - make - waste" is not just about recycling. Transitioning to a truly circular economy requires a complete rethink of the way we produce and use resources as well as the way we extend the life of products. Kering's "Coming Full Circle" ambition is built on three main elements: (i) luxury that lasts; (ii) regenerative sourcing and clean production; and (iii) making production processes more efficient. More information can be found in the Sustainability statements.

**Water Strategy.** In 2024, Kering deployed its Water Strategy, which was published in early 2025. The strategy is science-based and follows the "avoidance, reduction, restoration/regeneration and transformation" hierarchy. Kering's Water Strategy covers all of its operations, value chain and beyond, including related communities such as other economic agents and local populations. The strategy addresses the Group's dependencies and impact on water and the risks that result, and sets out the opportunities for rising to the challenge of becoming Net Water Positive. The strategy targets the various parts of the Group's value chain: Kering is committed to improving water stewardship in its direct operations and procurement choices and direct operations, as well as helping suppliers with their water stewardship. The strategy also covers water stewardship at the ecosystem level, by involving local communities. More information can be found in the Sustainability statements.

**Kering Standard for Buildings & Sites.** In 2020, Kering developed standards for stores that set out expected performance levels in 11 key areas (including energy management, lighting, renewable energy, water use and waste treatment). The standards provide specific guidelines covering environmental efficiency at all phases in a store's lifecycle, namely site selection and relations with the lessor, design, construction or renovation, and operation. The standards serve as a reference for new stores and store renovations where the use of Leadership in Energy and Environmental Design (LEED) or equivalent certifications is not possible. In 2024, Kering published an internal update to its Kering Standards for Stores: the Kering Standards for Buildings & Sites, which outline the Group's requirements regarding store and building planning, construction and management in order to minimize their environmental impact and ensure alignment with the EU taxonomy and LEED certification requirements.

**Fashion Models Charter.** The Fashion Models Charter was introduced in September 2017 to ensure that Kering and its houses comply with various major principles, including requiring models to present valid medical certificates attesting to their good health, discontinuing the modeling of French size 32 clothes for women and size 42 for men, and improving working conditions. In 2019, Kering and its houses went beyond those commitments by promising to only hire models aged 18 and over to represent adults at fashion shows and photo shoots.

**Health & Safety Policy.** Kering is committed to championing a safe workplace and managing psychosocial risks, and plans to review its 2019 health and safety policy, updating it in the form of a Health, Safety and Well-being at Work Policy by 2026. The updated policy will cover employees, people working at the Group's sites and visitors to its facilities, and will be based on Group best practice.

**Third-party due diligence policy.** Kering's third party suppliers and service providers are subject to the integrity checking process set forth in the Group's Anti-Corruption Policy and Third Party Due Diligence Procedure. More specifically, to properly assess and manage the financial, regulatory and reputational risks associated with Kering's relationships with these third parties, it screens them using specialist public databases, via specific tools provided by specialist service providers, and conducts dedicated desktop searches. Depending on the risk profile, Kering might also require the completion of a dedicated questionnaire or the performance of an external review by third-party providers.

**Compliance Manual.** The Compliance Manual was issued Group-wide in 2018. It sets out practical examples on the main ethics risks associated with Kering's operations, including with respect to human rights violations. The manual outlines the basic concepts and legal challenges involved and gives practical examples enabling employees to pinpoint areas requiring vigilance in their day-to-day work.

These policies and procedures back up the other documents adopted by the Houses in the relevant area.

## 3.4.3 Risk prevention and mitigation measures in the internal operations

**Raising employee awareness.** Kering seeks to ensure that its employees throughout the Group are fully acquainted with its policies and procedures (including with respect to human rights, sustainability and environmental protection) through regular training, internal communications, workshops and events. The training offer includes the annual Ethics and Compliance e-learning course, with modules covering various ethics and compliance topics, which is mandatory for all Group employees. In 2024, the course covered compliance (anti-corruption, conflicts of interest, anti-money laundering, economic sanctions and anti-competitive practices), ethics (with a focus on the whistleblowing system) and human rights. Training was adapted to the various employee profiles (retail, production and corporate) by offering specific scenarios and examples. In 2024, the e-learning course was completed by more than 98% of eligible employees within the Group and its Houses. This training framework also includes the Kering Standards e-learning program, available to employees since 2019. The program helps employees gain a better understanding of Kering's strategy to reduce the environmental and social impacts arising from its raw materials and manufacturing processes. Training and awareness-raising sessions specifically relating to the duty of care were provided by the Compliance Department to the Compliance, Legal and Operations teams of Kering and its houses in late 2024.

In addition, Kering and its houses also share their commitment toward sustainability through the company social networks and harness them to organize Group-wide events, celebrate recognized initiatives such as World Environment Day, and raise employee awareness on environmental issues. To this end, they created The Kering Planet, a dedicated digital platform that raises awareness and provides regular information for employees about sustainability issues. It features interactive tools such as quizzes and challenges. Kering is keen to update the knowledge of its employees and in 2024 also held several Climate Fresk workshop sessions for its employees and those of its Houses in France and around the world, along with 2Tonnes workshops which aim to engage participants and raise their awareness of possible ways to reduce their carbon footprint to two metrics tons of $CO_2$ per year.

**Sustainability Certifications.** Building on the Group's commitment to comply with the highest social and environmental standards, certain entities and sites owned by Kering and its houses have obtained certifications, including those showing compliance with the SA8000 (working conditions and social standards), ISO 14001 (environmental performance), ISO 45001 (health and safety), ISO 9001 (requirements for introducing a quality management system), ISO 28000 (security within the supply chain), and ISO 22301 (business continuity management systems) standards. Certifications related to the implementation of environmental management systems are applied primarily for the sites that have a more significant environmental impact, such as logistics centers and tanneries. In 2024, all tanneries owned by the Group were ISO 14001-certified.

### 3.4.3.1 Key control measures designed to prevent severe impacts on human rights and fundamental freedoms

**Child labor/forced labor.** Kering and its houses reject all forms of child labor, forced labor and human trafficking. The Group has put in place recruitment processes designed to uphold relevant legal requirements (including with respect to the age of employed workers) and prevent human rights abuses. To that end, employees from the Human Resources function receive special training to ensure that such processes are fully implemented.

**Promoting inclusion and diversity and preventing discrimination.** Kering believes that inclusion and diversity are sources of creativity and innovation, and thus of economic performance. Innovation prospers in an environment where all voices are heard and everyone's contribution is appreciated, respected and treated equally. The Group is continuing to take action in relation to the key aspects of its strategy, which are common to all its Houses, in favor of promoting an inclusive corporate culture: gender equality, equal opportunities regardless of cultural profile, socioeconomic background, gender identity or sexual orientation, the inclusion of people with disabilities and intergenerational diversity. In January 2020, Kering launched its Baby Leave policy, which allows all parents – regardless of gender or family situation – to benefit from a minimum of 14 weeks of parental leave (maternity, paternity or adoption leave) to care for a new child in the best possible conditions.

This policy also helps to combat the gender stereotypes encountered by women when they apply for a new job, aim for promotion or want to further their career. Since 2019, the Inclusion and Diversity team has focused its efforts on initiatives that promote a culture of gender equality. In 2023, it stepped up the roll-out of the Women In Luxury (WIL) internal network promoting gender equality. It also introduced the Gender Listening Index as part of the annual Kering Employees Listening Survey, to gain a better understanding of the expectations and feelings of female employees and to take practical steps to improve the employee experience within the Group. To promote an inclusive culture within Kering, the Inclusion and Diversity team has developed a training resource called The Canvas: Creators of Inclusion. This three-hour role-playing immersive workshop aims to help put inclusive strategies into practice on a daily basis, to identify unconscious biases that can lead to situations of accidental exclusion and to champion change for an even more inclusive business culture. The Group also has several initiatives regarding the inclusion of people with disabilities. In 2024, Kering Corporate France signed a new disability agreement that defines practical measures aiming to improve the integration of people with disabilities in work settings, help keep them in work, support carers and introduce training and awareness-raising. Finally, to promote equal opportunities and intergenerational diversity, the Group and its Houses have formed several partnerships with local non-profits.

**Promote gender equality.** Gender equality and the development of female talent are priorities at Kering, which seeks to ensure that women are well represented at all levels of management in the Group. In 2010, Kering was one of the first signatories of the Women's Empowerment Principles (WEP) Charter drawn up by UN Women and the UN Global Compact. Kering and its houses develop women's skills through specific programs, such as leadership training, coaching and mentoring sessions to support talented women and enhance gender diversity in senior management positions. Kering is closely monitoring the representation of women in executive positions and is committed to achieving equal pay for women and men at every level of the organization. In 2022, Kering launched its Women in Luxury internal network in France to foster gender equality and empower women within the Group. In 2023, the network expanded to Italy, China, South Korea, Japan, Singapore and the United States. Also in 2023, the Human Resources teams carried out an externally accredited study to identify and analyze pay gaps between men and women. The study was carried out a second time in 2024, revealing an unexplained gender pay gap of 1.4% in favor of men. It also allowed the Group to identify targeted actions to fulfill its commitment to equal pay.

**Eliminate harassment and violence.** Kering endeavors to provide a working environment free from any form of harassment or violence. As such, Kering and its houses encourage all employees to report any instances of such behavior, which are subject to disciplinary sanctions and, in many countries, criminal proceedings. Kering ensures that its employees are fully aware of their rights in this area. In an effort to extend its commitment externally, Kering also supports victims of domestic violence via its Policy on Domestic Violence and the work of the Kering Foundation. The Kering Foundation also supports women impacted by violence by partnering with survivor-centered services and local experts, while implementing preventive programs with young people to deliver real change. More information can be found in the Sustainability statements, section 3.3.4.1.

**Increased dialogue with employees.** Kering is fully committed to guaranteeing applicable trade union rights and to engaging in a constant and productive dialogue with its employees worldwide, including those located in countries that do not allow collective bargaining. Kering created carries out its own employee survey – called the Kering Employee Listening Survey – to develop a culture of feedback in which employees' ideas result in concrete action and in which managers can be changemakers. The survey has been conducted annually since 2023 and comprises around 30 questions relating to engagement, well-being, inclusion and diversity, as well as opportunities for internal development. Based on feedback received, Kering develops a Group action plan that is adjusted to each House and at the local level. Kering also conducts local initiatives to increase awareness and foster the adoption of well-being policies. Since 2000, the Kering EWC has also provided a Europe-wide forum for information, consultation, exchanges of views and dialogue. The principal purpose of the EWC is to remain a key intermediary in the development of social dialogue in Europe, complementing existing national staff representative bodies, between countries with differing realities and social practices.

**Decent working conditions.** Kering and the Houses seek to ensure that the work of employees is adequately remunerated and conducted in compliance with local legislation, including with respect to working hours. To achieve this, the Group has also partnered with the Fair Wage Network to conduct a study to evaluate whether the base salary of the Group's employees provides a decent standard of living in the key countries where Kering operates. Kering has also adopted an array of initiatives designed to protect the mental well-being of employees, including optional free external psychological support services. As part of that effort, a "Charter of commitments on the quality of life at work and the prevention of work-related stress" was signed with the Group's EWC in 2010, establishing and supplementing the Houses' action plans on the basis of three principles: (i) identifying and assessing the causes of stress in the workplace; (ii) deploying preventive measures to improve quality of life at work and reduce workplace stress factors; (iii) keeping employees informed and giving them the opportunity to provide anonymous feedback so that the Houses' action plans can be adjusted or enhanced.

**Supporting local communities.** Kering plays a role in the life of the communities where its sites are located and works to prevent and mitigate any negative impacts that its operations create or to which they contribute. In this respect, Kering is actively engaged in safeguarding artisan traditions and the communities that support artisans. Kering has implemented special programs to keep alive craftsmanship that in some cases dates back over 100 years as well as local traditions. Brioni's Scuola diAlta Sartoria, Bottega Veneta's Accademia Labor and Ingenium, Boucheron's partnership with the Haute École de Joaillerie, Gucci's ArtLab, Pomellato's Galdus Goldsmith Academy and the Saint Laurent Couture Institute are among these programs (see the Sustainability statements, section 3.1.6).

### 3.4.3.2 Key control measures to prevent severe harm to the health and safety of individuals

**Safe and hygienic working conditions.** Kering is committed to the principle of risk prevention and seeks to safeguard the occupational health and safety of its employees by complying with all applicable regulations and by establishing relevant best practices. The Kering Security Department is responsible for managing the security of Group sites, preparing emergency plans and delivering safety training to employees. Kering, Gucci and Bottega Veneta have also obtained SA8000 and ISO 45001 certification covering occupational health and safety management systems. These accreditations aim to reduce occupational injuries and diseases and promote and protect employees' physical and mental health.

**Chemicals/hazardous substances.** Kering is constantly working to reduce its use of chemicals and hazardous substances and, beyond complying with regulations, it has set the target of eliminating all hazardous chemicals from all Houses' products and production processes. For this purpose, the Group has created two lists of restricted substances: one for production processes, the Manufacturing Restricted Substance List (MRSL), and one for products, the Product Restricted Substance List (PRSL). The MRSL is focused on discontinuing the use of dangerous chemicals in manufacturing processes, both to avoid the exposure of employees to hazardous substances, and reduce toxic discharges into water. Furthermore, the Group is aiming to reduce the quantity of pollutants discharged before treatment at all of its sites. Kering is also committed to reducing operating risks related to water quality, including by establishing a policy of gradually ceasing to use tannins that have a major environmental impact, such as metals including chromium. At all the Group's tanneries, wastewater is pre-treated on site before continuing the wastewater treatment process. The Group's Italian tanneries then send their pre-treated wastewater to a special treatment plant used by several other tanneries, which purifies the water and recovers the chromium. The Group's other tanneries have treatment plants that use sedimentation and physicochemical and biological treatment techniques.

### 3.4.3.3 Key control measures designed to prevent serious environmental damages

**Environmental Profit & Loss account.** Kering's EP&L is a measurement tool that allows the Group to quantify and measure annually its environmental footprint across its whole value chain. It underwent a methodological review in 2024. The EP&L measures the impact that Kering and its houses have on natural capital, from the production of raw materials to the way in which customers use products and product end of life. It covers six types of environmental impact: greenhouse gas emissions, water consumption, pollution of air and water, land use and waste production.

The EP&L serves a strategic management tool by which Kering lays out its roadmap in terms of sourcing strategy, choice of materials and production and transformation processes. It allow the Group to prioritize its sustainability projects and guide the day-to-day choices of decision-makers to reduce Kering's environmental impact. Each year, the EP&L results are reviewed and they are the subject of discussions with each House regarding action plans to reduce its impact.

**Reducing carbon emissions.** In 2024, the Group has adopted new targets for reducing its carbon footprint compared to a 2022 baseline. The 2033 targets, certified by the Science Based Targets initiative (SBTi), are as follows:

- Scopes 1 and 2 – 54.6% reduction in scope 1 and 2 GHG emissions compared to 2022;
- Scope 3 excluding Forest, Land and Agriculture (FLAG) – 54.6% reduction in energy and industry GHG emissions compared to 2022;
- Scope 3 FLAG – 39.4% reduction in emissions compared to 2022.

Kering is also committed to achieving net zero by 2050 across its whole value chain. In addition, oute of its value chain, Kering is voluntarily offsetting the equivalent of scope 1 and 2 emissions amounting to almost 42,000 $tCO_2$ through two nature-based projects.

**Favoring renewable energies.** In 2022, Kering reached its objective of using 100% renewable energy in every country where this is possible, in line with the RE100 guidelines. Kering also favors entering into agreements to purchase locally produced green electricity. Where this is not possible, Kering purchases Energy Attribute Certificates. On top of external purchases, the Houses continue to increase their reliance on renewable energy, for example by installing solar panels. In addition, the Group undertakes to secure certification for all new locations and locations that it renovates for energy efficiency purposes. LEED is the preferred certification system selected by the Group, but it also applies other certifications, like HQE (France) and BREEAM, for projects. Kering and its houses obtained 71 new LEED certifications for their sites in 2024.

**Monitoring energy use.** While constantly seeking to maximize the energy efficiency of its sites, Kering is gradually rolling out an energy consumption monitoring system that allows the Houses to access monthly consumption data for their main sites in real time. The system also streamlines the energy procurement process by pooling and consolidating energy consumption, and increases the use of renewable energy.

**Waste treatment and product circularity.** To limit the quantity of unsold products at the end of each season, the Group is investing in artificial intelligence technologies to improve sales forecasts and therefore optimize production and distribution. Machine learning models improve the Group's ability to anticipate seasonal demand and current trends, thereby reducing potential forecasting errors. As the destruction of unsold products is prohibited throughout the Group, Kering is actively working to develop operational solutions to give products and materials a second lease of life. Kering has implemented a policy to improve waste management as part of the activities of the Group and its Houses, in keeping with the waste treatment hierarchy: prevention first through reduction at the source, followed by reuse/repurposing and recycling. The multiple initiatives developed by the Group and the Houses as part of the Group's Circularity Ambition are described in the Sustainability statements.

**More sustainable packaging.** Kering's Circular Packaging policy is based on the four principles of ecodesign and circularity – known as the 4Rs, i.e. Reduce, Reuse, Recycle, Reintegrate. Kering and its houses make every effort to opt for the most sustainable solutions available made from recycled or certified biobased materials. They also carry out initiatives to reduce the use of packaging while maintaining an optimal level of protection for the goods manufactured. Kering has pledged to eliminate single-use plastics from its primary packaging (B2C) and logistics packaging (B2B) by 2025.

**Reducing water consumption.** Kering is committed to improving water management at sites it operates, particularly tanning sites, production sites, warehouses and stores, in order to enhance the resilience of its operations. Kering is committed to reducing operating risks related to water quality, including by establishing a policy of gradually ceasing to use tannins that have a major environmental impact through its involvement in the Zero Discharge of Hazardous Chemicals (ZDHC) initiative, and is helping to set up a water stewardship system for the leather and textiles industries. Please see the relevant section of the Sustainability statements.

**Protecting biodiversity.** Kering is committed to preserving biodiversity through several conservation and regeneration programs for natural ecosystems. As noted above, the Group has formulated a Biodiversity Strategy, which aims to stem biodiversity loss, rebuild ecosystems and rehabilitate species, as well as to drive systemic change throughout the supply chain and beyond.

As part of its commitments, Kering had facilitated the development of regenerative practices across more than a million hectares of land by the end of 2024, including via the Kering Regenerative Fund for Nature and other projects. Through that Fund, Kering supported seven regenerative agriculture projects in 2024 in regions that produce key raw materials for the Group's Houses: cotton, leather, wool and cashmere. Each project has a monitoring framework to assess the impact on the five key aspects of regenerative agriculture (soil health, biodiversity, synthetic inputs, standard of living of farmers and animal welfare). Kering has also undertaken to protect one million hectares of critical and irreplaceable habitats outside of its supply chain by 2025, primarily through programs that deliver a positive impact in terms of biodiversity protection, carbon removal and improved livelihoods for local communities. In late 2022, Kering launched the Climate Fund for Nature, which invests in nature-based solutions, to achieve this goal.

## 3.4.4 Risk prevention and mitigation measures in supply chain operations

**Raising awareness among and guiding suppliers.** Kering and its houses conduct multiple awareness-raising initiatives for suppliers, putting them in a position to comply with the highest social and environmental standards. For instance, the Kering Material Innovation Lab has daily interactions with ready-to-wear and accessories suppliers to promote compliance with the Kering Standards. Since 2020, Kering has also been using a new supplier portal, which can be accessed online. This portal is a tool for conducting evaluations and sharing sustainability information. The Group and its Houses, including Balenciaga, Boucheron and Saint Laurent, are also committed to working with organizations in the social and solidarity economy, particularly through contracts for on-site services and pilot projects.

**Sustainability certifications.** Numerous Kering and House suppliers have obtained third-party sustainability certifications covering environmental and social standards, among other aspects. Kering regularly compares the standards underpinning these certifications with those laid down by its Sustainability Principles and Kering Standards so it can identify which certifications are aligned with them and those that cannot be accepted.

### 3.4.4.1 Key control measures to prevent severe impact on human rights and fundamental freedoms

**Child labor/forced labor.** Kering and its houses forbid all forms of child labor and forced labor across their entire supply chain. They forbid the use, in any form, of slavery, human trafficking, forced or compulsory labor or work by children aged under 15, along with all products and services that involve their use. Kering and its houses apply a zero-tolerance policy, leading to immediate termination of the supplier relationship where a supplier is responsible for using such practices. The audits performed as part of the Hercules system include various measures to identify potential instances of child labor or forced labor. As part of its drive to detect any unfair working practices, the Kering Supply Chain Audit Department performs a periodic analysis on suppliers to assess the cost of their work per minute, with any anomalies leading to targeted investigations. Efforts in this area also concern subcontractors, in order to minimize the risk of potential wrongdoing. Suppliers must obtain authorization from the Houses to be able to subcontract part of their production activities, and after obtaining that authorization, the controls carried out by the Houses and the Supply Chain Audit Department also apply to those subcontractors.

**Promoting inclusion and diversity and preventing discrimination.** Kering and its houses expect their business partners to respect and promote equal opportunity and treatment at work and create an inclusive workplace. In addition to the commitments included in the Sustainability Principles, the audits performed as part of the Hercules system also review potential instances of discriminatory practices within the operations of suppliers. In collaboration with the Camera Nazionale della Moda and three specialist organizations (BSR, Wise Growth, and Valore D), Kering and its Italian Houses have issued practical recommendations on enhancing gender equality in the Italian luxury sector supply chain following an extensive study that investigated the challenges faced by women. This study covered more than 180 suppliers and surveyed 880 people (70% women) on gender equality via in-person interviews and questionnaires. Four priority focuses were identified during the study: (i) working conditions and economic opportunities, (ii) leadership and career advancement, (iii) motherhood and (iv) workplace conduct and harassment. The second stage of the project involved implementing the recommendations by raising awareness of the four priorities identified. Kering also worked on a project focused on empowering women around gold mines in Ghana using tools such as micro-loans and skills training, and worked on a project to support 150 cotton farmers in India through community education on women's rights, education and health and safety.

**Eliminate harassment and violence.** Kering and its houses expect their suppliers to treat employees with dignity and respect and to prohibit physical punishment, mental or physical coercion or verbal abuse. As such, suppliers and sub-suppliers must not engage in any conduct that is offensive, abusive, demeaning, intimidating or threatening, such as verbal abuse, negative stereotyping, unwelcome contact, unwelcome sexual advances or requests for sexual favors.

**Increased dialogue.** Kering and its houses expect their business partners to engage in open and constructive dialogue with workers and their representatives and to respect the right of workers to form and join organizations of their own choosing and bargain collectively. In addition to the commitments included in the Sustainability Principles, the audits performed as part of the Hercules system cover the freedom of association and the right to collective bargaining among other rights.

**Decent working conditions.** Kering expects its suppliers to pay their employees no less than the minimum legal standard or the appropriate prevailing industry standard, whichever is higher. Kering is committed to ensuring that workers in its supply chain are fairly compensated for their work. Kering expects business partners to comply with applicable regulations regarding working hours. Wages and working hours are also checked during the audits performed as part of the Hercules system, which covers wages and working hours as well as subcontracting and the risk of illegally using subcontractors that underpay workers.

**Protecting against local community abuses.** Kering and its houses are committed to respecting and actively contributing to the economic and social development of the local communities impacted by their operations worldwide. In this respect, Kering undertakes to avoid forced evictions and population displacements linked to its operations. Kering and its houses encourage their suppliers and sub-suppliers to build a constructive relationship with local communities, and require them to source raw materials in strict accordance with the Kering Standards and the Sustainability Principles.

### 3.4.4.2 Key control measures to prevent severe harm to the health and safety of individuals

**Safe and hygienic working conditions.** Kering and its houses expect their business partners to create a healthy and safe working environment through the implementation of appropriate effective measures to avoid jeopardizing the health and safety of workers in the workplace. For example, suppliers are obliged to provide relevant employees with the personal protective equipment required under the applicable regulations and to offer them training on the relevant safety standards and procedures they must follow. Employees should also have free access to clean toilet facilities and drinking water. The audits performed as part of the Hercules system cover several occupational health and safety topics – such as producing and updating dedicated risk maps, appointing people responsible for those topics, providing training and assessing workplace accidents – and security topics. Before signing any production contract, the Houses also ensure that suppliers have adequate insurance.

**Chemicals/hazardous substances.** As noted above, Kering is committed to phasing out and eliminating all hazardous chemicals from its production processes. The Group's chemical management framework goes beyond regulatory requirements and includes specific guidelines, formalized within the PRSL and MRSL lists described above, that identify restricted substances within products and production processes. Kering requires all suppliers and sub-suppliers to comply strictly with this framework and to report any non-compliance. Action programs and specific checks are carried out to ensure compliance with these requirements, including by the Sustainability Department and the Operations Department.

### 3.4.4.3 Key control measures designed to prevent serious environmental damages

**Environmental Profit & Loss account.** As noted above, the EP&L is the cornerstone of the Group's environmental approach and allows Kering and its houses to measure their environmental impact throughout the supply chain. Suppliers and subcontractors are invited to share with Kering and its houses information allowing them to calculate the environmental impacts associated with the Group's value chain, such as GHG emissions, water and energy consumption, land use, water pollution (eutrophication and ecotoxicity) and atmospheric pollution (acidification and fine particles).

**Sourcing of raw materials.** In 2024, the level of traceability achieved by Kering with respect to raw materials covered by the Kering Standards was 95%. By 2025, Kering aims to achieve 100% traceability of its raw materials at least as far as the country of origin, so that it can further reduce its environmental footprint. In addition, Kering's Sustainability Department, sometimes supported by the Compliance Department, provides ongoing assistance to the Houses to give them a better understanding of risks related to the sourcing of certain key raw materials, including leather and precious skins. Kering is also developing materials purchasing platforms aligned with the Kering Standards, following on from the Kering Precious Metals Platform. Kering Eyewear has developed a data-sharing platform for purposes that include enhancing visibility and traceability right across its supply chain. Several Houses are currently rolling out other tools for improving the traceability of certain products. The various measures being taken by the Group and the Houses aimed at reducing risks related to the sourcing of the main raw materials purchased by the Houses are detailed in the Kering Standards and in the Sustainability statements.

**Reducing carbon emissions.** As stated previously, the Group is continuing to offset its greenhouse gas emissions. In 2024, Kering voluntarily offset scope 1 and 2 emissions amounting to almost 42,000 $tCO_2$ through two nature based projects: one avoidance project and one removal project. For more details on these projects, please see section 2.1.8 of the Sustainability statements. In addition, audits performed as of the Hercules system also cover certain topics related to supplier's use of renewable energies.

**Waste and packaging.** Moving away from the conventional model of "take - make - waste" is not only about recycling. Transitioning to a truly circular economy requires a complete rethink of the way we produce and use resources as well as the way we extend the life of products. As regards materials used, the Kering Standards allow the Group's Houses to identify sourcing preferences – recycled, regenerative or certified – by material. As stated above, in line with the Group's Circularity Ambition, the Kering Standards now include a section on product end of life in order to promote a circular economy. In addition, the Material Innovation Lab provides House design teams with a pool of sustainable and innovative materials and assists them in the selection of circular materials. Kering also participates in the Clean by Design program to enable the Houses to offer free environmental audits (covering energy and water use) to suppliers, aimed at improving their environmental practices. Finally, the audits performed as part of the Hercules system also investigate suppliers' waste management and wastewater treatment practices.

**Animal welfare.** Kering requires that its suppliers capture, farm, transport, handle and slaughter animals in compliance with applicable local laws and regulations on social, environmental and animal welfare matters. As stated above, Kering has also published common standards for all animal species present in its supply chains, along with specific standards covering cattle, sheep and goats, among others, which account for a particularly sizable proportion of the leather supply chain. Taking its commitment to animal welfare to the next level, Kering decided that all of its Houses' collections would be fur-free starting from 2022.

Kering's teams and those of its Houses make visits to farms and slaughterhouses and have continued to engage actively with the various potential and existing suppliers to assess and assist them in improving their sustainable environmental, biodiversity and animal welfare management practices. The Group has also continued to roll out its action plan for verifying the alignment of practices in its exotic skin supply chains with the Kering Standards. The assessment is carried out with specific programs for each supply chain, taking into account the characteristics of each animal species and each type of supplier. In this respect, it is worth noting that the Group and its Houses comply with national and international legislation and regulations on the trade of precious skins: all skins of species listed as endangered or vulnerable by the Convention on International Trade in Endangered Species (CITES) are obtained with certificates attesting to their legal origin, issued by CITES and the export authority, to ensure that trade does not threaten endangered species.

**Protecting biodiversity.** As noted above, as part of its Biodiversity Strategy, Kering is committed to achieving a net positive impact on biodiversity by 2025. To achieve this, it has agreed to protect one million hectares of essential and irreplaceable habitats outside of its supply chain, and facilitate through the Regenerative Fund for Nature the transition to regenerative agricultural practices on an additional one million hectares in areas where raw materials entering Kering's supply chain are extracted. In addition, the Houses avoid sourcing materials with known negative impacts on the environment, particularly in areas of critical ecological importance. As specified in the Kering Standards, this includes ensuring that supplies are all sourced from materials that do not cause deforestation as well as ensuring that materials adhere closely to the guidelines as published within the framework of CITES. When impacts are inevitable, Kering and its houses strive to reduce negative impacts on the environment by sourcing materials from preferred sources as defined in the Kering Standards, which list recommended third-party certifications in our supply chains guaranteeing low-impact agricultural practices, such as organic farming for instance. Kering's Material Innovation Lab has also set up a program to help the Houses speed up their sourcing of raw materials from regenerative agriculture (wool, cotton and cashmere).

## 3.5 Whistleblowing system

In accordance with France's Duty of Care Act and Sapin II act, Kering has deployed a whistleblowing system that allows all staff members of Kering and its houses, and of its suppliers, to raise alerts in a fully confidential way about situations or conduct that breach Kering's ethical principles.

Under Directive EU 2019/1937 on the protection of people who report breaches of European Union law, and French act No 2022-401 (the "Waserman act"), which transposes the directive into French law, Kering has updated its whistleblowing system and is continuing to do so. Kering is fully committed to keeping whistleblowing alerts fully confidential at all stages at which it deals with them, and to ensuring that no retaliation takes place against any staff member who reports, in good faith, a suspected breach of Kering's ethical principles.

As part of Kering's duty of care, the aim of the whistleblowing system is to help Kering prevent serious harm and, in the event of a proven breach, take the necessary measures.

Since 2020, Kering has had a dedicated website designed to remind the employees of its direct suppliers about its whistleblowing system and how to use it. More information on the roll-out of this campaign can be found in the Sustainability statements.

## 3.6 Monitoring system designed to assess the effectiveness of the controls in place

In line with the cross-functional approach adopted by Kering to achieve a better grasp of the challenges involved in upholding human rights and protecting the environment, the Executive Committee, together with other Group-level committees, oversees implementation of the various measures set out above. These committees include the Sustainability Committee and the Audit Committee. The Chief Audit Executive, the Group Chief Compliance Officer, the Chief People Officer and the Chief Sustainability and Institutional Affairs Officer report to those committees regularly on the implementation of existing controls. A dedicated committee also oversees the deployment of the Hercules system.

As noted above, Kering periodically updates its risk map to constantly review the controls designed to mitigate risks relevant to the Duty of Care Law. In addition, overall implementation of the action plans drawn up on the basis of the risk mapping exercises is tracked and supervised by the Group Compliance Department. The Department also conducts compliance reviews to ensure that the Kering compliance-related policies and procedures are properly implemented by Group entities and Houses.

A number of other functions at the Group level, including the Sustainability Department and the Human Resources Department, also support the Houses with implementing Kering's policies and strategies. The implementation of the Kering internal control system within the Group's internal operations is assessed at regular intervals by the Group Internal Audit Department through the internal audits performed under the Group's annual audit plan.

As noted above, the Kering Supply Chain Audit Department conducts regular comprehensive supply chain audits that assess how the Group's suppliers implement the Suppliers' Charter included in the Code of Ethics and the Kering Sustainability Principles, including in the areas of human rights, health and safety and environmental protection. The most serious anomalies detected during these comprehensive audits are discussed and evaluated during committee meetings attended by the Supply Chain Audit Department and the relevant Houses, to consider what action to take concerning supplier relationships. Follow-up audits, at intervals varying according to the risk profile and anomalies detected, are also arranged to confirm whether the suppliers have put an end to the anomalies.

### 3.6.1 Monitoring and performance indicators

Kering has also established tracking and performance indicators designed to enhance scrutiny and ensure the controls summarized above are properly implemented. They are described below.

| | Internal activities | Supply chain |
|---|---|---|
| **Human rights and fundamental freedoms** | • 98.33% of Group employees worldwide completed the annual Ethics & Compliance training program in 2024, representing an increase of 0.3 points relative to 2023<br>• Women represent 63% of employees, 58% of managers, 55% of Board members and 46% of Executive Committee members | • 4,550 supplier audits were completed in 2024, including 2,465 global audits and 2,085 follow-up audits<br>• 44% of these audits were carried out by Kering's Internal Audit team, and 56% by external auditors<br>• Breakdown of anomalies found and still unresolved as of December 31, 2024: 75.5% observations; 22.4% moderately important compliance breaches, 1.8% serious compliance breaches and 0.3% zero-tolerance issues<br>• Breakdown by theme of anomalies found during audits carried out as of December 31, 2024 (excluding observations): 72.5% health and safety; 13.1% pay and working conditions; 6.4% environment; 4.4% working hours; 3.6% other<br>• Following the audits carried out to date, 63.8% of suppliers were rated compliant, 30.3% partially compliant, 5.1% progress as expected and 0.8% zero tolerance |
| **Health & safety** | • In 2024, 318 lost-time accidents were recorded by the Group<br>• Accident severity rate: 0.15 | • A total of 89 suppliers saw their business relationship terminated in 2024 due to unsatisfactory audit results |
| **Environment** | • Scope 1 and 2 emissions under the GHG Protocol: 43,480 $tCO_2e$<br>• 100% of the energy used by the Group is renewable in all the countries where this is possible, in line with the RE100 guidelines | • Scope 3 emissions: 2,116,428 $tCO_2e$<br>• Scope 1, 2 and 3 carbon intensity (including all Scope 3 categories): 126 ($tCO_2e$/€ million of revenue)<br>• 83% of raw materials aligned with Kering Standards<br>• 95% of traceability achieved for key raw materials at least as far as their country of origin<br>• Regenerative practices adopted for 1,055,000 hectares of farmland |
| **Whistleblowing** | • 98 alerts sent to the Ethics and Compliance Committees in 2024 (of which 23 were still being processed as of December 31, 2024)<br>• Main reasons for alerts received in 2024: human resources and management<br>• As of December 31, 2024, 74% of alerts received had led to investigative action and 18 breaches of the Code of Ethics had been found | |

# CHAPTER 6

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# 1 - CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

## 1.1 Consolidated income statement

| *(in € millions)* | Notes | 2024 | 2023 |
|---|---|---|---|
| CONTINUING OPERATIONS | | | |
| **Revenue** | **4** | **17,194** | **19,566** |
| Cost of sales | | (4,513) | (4,639) |
| **Gross margin** | | **12,681** | **14,927** |
| Other personnel expenses | 5 | (3,017) | (2,982) |
| Other recurring operating income and expenses | | (7,110) | (7,199) |
| **Recurring operating income** | | **2,554** | **4,746** |
| Other non-recurring operating income and expenses | 7 | (242) | (103) |
| **Operating income** | | **2,312** | **4,643** |
| Financial result | 8 | (614) | (410) |
| **Income before tax** | | **1,698** | **4,233** |
| Income tax expense | 9 | (461) | (1,163) |
| Share in earnings (losses) of equity-accounted companies | | (10) | 4 |
| **Net income from continuing operations** | | **1,227** | **3,074** |
| *o/w attributable to the Group* | | *1,133* | *2,983* |
| *o/w attributable to minority interests* | | *94* | *91* |
| DISCONTINUED OPERATIONS | | | |
| **Net income from discontinued operations** | | **–** | **–** |
| *o/w attributable to the Group* | | – | – |
| *o/w attributable to minority interests* | | – | – |
| GROUP TOTAL | | | |
| **Net income of consolidated companies** | | **1,227** | **3,074** |
| *o/w attributable to the Group* | | *1,133* | *2,983* |
| *o/w attributable to minority interests* | | *94* | *91* |

| *(in € millions)* | Notes | 2024 | 2023 |
|---|---|---|---|
| **Net income attributable to the Group** | | **1,133** | **2,983** |
| Basic earnings per share *(in €)* | 10.1 | 9.24 | 24.38 |
| Diluted earnings per share *(in €)* | 10.1 | 9.24 | 24.37 |
| **Net income from continuing operations attributable to the Group** | | **1,133** | **2,983** |
| Basic earnings per share *(in €)* | 10.1 | 9.24 | 24.38 |
| Diluted earnings per share *(in €)* | 10.1 | 9.24 | 24.37 |
| **Net income from continuing operations (excluding non-recurring items) attributable to the Group** | | **1,310** | **3,061** |
| Basic earnings per share *(in €)* | 10.1 | 10.68 | 25.02 |
| Diluted earnings per share *(in €)* | 10.2 | 10.68 | 25.01 |

## 1.2 Consolidated statement of comprehensive income

| *(in € millions)* | Notes | 2024 | 2023 |
|---|---|---|---|
| **Net income** | | **1,227** | **3,074** |
| **Change in currency translation adjustments relating to consolidated subsidiaries:** | | **84** | **(75)** |
| *– change in currency translation adjustments* | | *84* | *(75)* |
| *– amounts transferred to the income statement* | | *–* | *–* |
| **Change in foreign currency cash flow hedges:** | **21.6** | **(124)** | **(4)** |
| *– change in fair value* | | *(70)* | *268* |
| *– amounts transferred to the income statement* | | *(77)* | *(271)* |
| *– tax effects* | | *23* | *(1)* |
| **Change in other comprehensive income (loss) of equity-accounted companies:** | | **–** | **–** |
| *– change in fair value* | | *–* | *–* |
| *– amounts transferred to the income statement* | | *–* | *–* |
| **Gains and losses recognized in equity, to be transferred to the income statement** | | **(40)** | **(79)** |
| **Change in provisions for pensions and other post-employment benefits:** | **23** | **(9)** | **1** |
| *– change in actuarial gains and losses* | | *(11)* | *1* |
| *– tax effects* | | *2* | *-* |
| **Change in financial assets measured at fair value:** | **16.2** | **11** | **(23)** |
| *– change in fair value* | | *15* | *(33)* |
| *– tax effects* | | *(4)* | *10* |
| **Gains and losses recognized in equity, not to be transferred to the income statement** | | **2** | **(22)** |
| **Total gains and losses recognized in equity** | | **(38)** | **(101)** |
| Comprehensive income | | 1,189 | 2,973 |
| *o/w attributable to the Group* | | *1,088* | *2,879* |
| *o/w attributable to minority interests* | | *101* | *94* |

## 1.3 Consolidated balance sheet

### Assets

| *(in € millions)* | Notes | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|---|
| Goodwill | 11 | 6,277 | 7,112 |
| Brands and other intangible assets | 12 | 9,287 | 8,178 |
| Lease right-of-use assets | 13.1 | 5,615 | 4,984 |
| Property, plant and equipment | 14 | 6,537 | 5,341 |
| Investments in equity-accounted companies | 15 | 1,762 | 1,750 |
| Non-current financial assets | 16 | 492 | 536 |
| Deferred tax assets | 9.3 | 1,651 | 1,520 |
| Other non-current assets | | 27 | 16 |
| **Non-current assets** | | **31,648** | **29,437** |
| Inventories | 17 | 3,992 | 4,550 |
| Trade receivables and accrued income | 18 | 1,003 | 1,151 |
| Current tax receivables | | 680 | 765 |
| Current financial assets | 16 | 42 | 136 |
| Other current assets | | 1,388 | 1,406 |
| Cash and cash equivalents | 20.1 | 3,518 | 3,922 |
| **Current assets** | | **10,623** | **11,930** |
| **Assets held for sale** | **2, 7, 14** | **1,075** | **–** |
| TOTAL ASSETS | | 43,346 | 41,367 |

### Equity and liabilities

| *(in € millions)* | Notes | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|---|
| Equity attributable to the Group | | 14,904 | 15,212 |
| Equity attributable to minority interests | | 826 | 798 |
| **Equity** | **19** | **15,730** | **16,010** |
| Non-current borrowings | 20 | 10,556 | 10,026 |
| Non-current lease liabilities | 13.2 | 5,056 | 4,511 |
| Non-current financial liabilities | 22 | 13 | 13 |
| Non-current provisions for pensions and other post-employment benefits | 23 | 85 | 68 |
| Non-current provisions | 24 | 51 | 21 |
| Deferred tax liabilities | 9.3 | 1,985 | 1,776 |
| Other non-current liabilities | | 278 | 311 |
| **Non-current liabilities** | | **18,024** | **16,726** |
| Current borrowings | 20 | 3,479 | 2,400 |
| Current lease liabilities | 13.2 | 1,051 | 884 |
| Current financial liabilities | 22 | 343 | 588 |
| Trade payables and accrued expenses | | 2,098 | 2,200 |
| Current provisions for pensions and other post-employment benefits | 23 | 13 | 12 |
| Current provisions | 24 | 191 | 163 |
| Current tax liabilities | | 528 | 536 |
| Other current liabilities | | 1,889 | 1,848 |
| **Current liabilities** | | **9,592** | **8,631** |
| **Liabilities associated with assets held for sale** | | **–** | **–** |
| TOTAL EQUITY AND LIABILITIES | | 43,346 | 41,367 |

## 1.4 Consolidated statement of changes in equity

| Before appropriation of net income *(in € millions)* | Notes | Number of shares outstanding | Share capital | Capital reserves | Kering treasury shares | Cumulative translation adjustments | Remeasurement of financial instruments | Other reserves and net income | Group | Minority interests | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **As of January 1, 2023** | | **122,220,370** | **496** | **1,314** | **(1,028)** | **(165)** | **186** | **13,195** | **13,998** | **785** | **14,783** |
| Net income | | | | | | | | 2,983 | 2,983 | 91 | 3,074 |
| Total gains and losses recognized in equity | | | | | | (78) | (26) | | (104) | 3 | (101) |
| **Comprehensive income** | | | | | | **(78)** | **(26)** | **2,983** | **2,879** | **94** | **2,973** |
| Change in equity of Kering SA | | | | | | | | | – | – | – |
| Change in equity of subsidiaries | | | | | | | | | – | 9 | 9 |
| Expense related to share-based payments | 6 | 16,928 | | | 10 | | | 15 | 25 | – | 25 |
| Cancellation of Kering treasury shares | 19.1 | | (3) | (330) | 333 | | | | – | – | – |
| (Acquisitions) disposals of Kering treasury shares[1] | 19.1 | 342,883 | | | 230 | | | (217) | 13 | – | 13 |
| Distribution of dividends | 19.2 | | | | | | | (1,705) | (1,705) | (42) | (1,747) |
| Other changes[2] | | | | | 5 | | | (3) | 2 | (48) | (46) |
| **As of Dec. 31, 2023** | | **122,580,181** | **493** | **984** | **(450)** | **(243)** | **160** | **14,268** | **15,212** | **798** | **16,010** |
| Net income | | | | | | | | 1,133 | 1,133 | 94 | 1,227 |
| Total gains and losses recognized in equity | | | | | | 77 | (122) | | (45) | 7 | (38) |
| **Comprehensive income** | | | | | | **77** | **(122)** | **1,133** | **1,088** | **101** | **1,189** |
| Change in equity of Kering SA | | | | | | | | | – | – | – |
| Change in equity of subsidiaries | | | | | | | | | – | – | – |
| Expense related to share-based payments | 6 | 14,762 | | | 82 | | | (75) | 7 | – | 7 |
| Cancellation of Kering treasury shares | 19.1 | | | | | | | | – | – | – |
| (Acquisitions) disposals of Kering treasury shares[1] | 19.1 | 6,750 | | | 3 | | | 24 | 27 | – | 27 |
| Distribution of dividends | 19.2 | | | | | | | (1,410) | (1,410) | (22) | (1,432) |
| Other changes[2] | | | | | | | | (20) | (20) | (51) | (71) |
| **As of Dec. 31, 2024** | | **122,601,693** | **493** | **984** | **(365)** | **(166)** | **38** | **13,920** | **14,904** | **826** | **15,730** |

(1) The acquisition cost of Kering treasury shares is reflected in the Kering treasury shares column. Capital gains or losses on the sale of Kering treasury shares, along with the related expenses and taxes, are recognized in the Other reserves and net income column.

(2) Other changes include changes in scope and transactions with minority interests.

## 1.5 Consolidated statement of cash flows

| *(in € millions)* | Notes | 2024 | 2023 |
|---|---|---|---|
| **Net income from continuing operations** | | **1,227** | **3,074** |
| Net recurring charges to depreciation, amortization and provisions on non-current operating assets | 3.1 | 2,113 | 1,823 |
| Other non-cash (income) expenses | 26 | 57 | 94 |
| **Cash flow received from operating activities** | **26** | **3,397** | **4,991** |
| Interest paid (received) | | 559 | 300 |
| Dividends received | | (2) | (9) |
| Current tax expense | 9.1 | 526 | 1,007 |
| **Cash flow received from operating activities before tax, dividends and interest** | | **4,480** | **6,289** |
| Change in working capital requirement | 27 | 667 | (396) |
| Income tax paid | | (438) | (1,434) |
| **Net cash received from operating activities** | | **4,709** | **4,459** |
| Acquisitions of property, plant and equipment and intangible assets | 28 | (3,309) | (2,611) |
| Disposals of property, plant and equipment and intangible assets | | 32 | 135 |
| Acquisitions of subsidiaries and associates, net of cash acquired | | (35) | (5,093) |
| Acquisitions of other financial assets | | (83) | (56) |
| Disposals of other financial assets | | 140 | 251 |
| Interest and dividends received | | 70 | 76 |
| **Net cash received from (used in) investing activities** | | **(3,185)** | **(7,298)** |
| Dividends paid to shareholders of Kering SA | 19.2 | (1,716) | (1,712) |
| Dividends paid to minority interests in consolidated subsidiaries | | (24) | (42) |
| Transactions with minority interests | | (73) | (24) |
| (Acquisitions) disposals of Kering treasury shares | 19.1 | 2 | (10) |
| Issuance of bonds and bank debt | 20.4 | 2,493 | 6,205 |
| Redemption of bonds and bank debt | 20.4 | (525) | (957) |
| Issuance (redemption) of other borrowings | | (394) | 174 |
| Repayment of lease liabilities | | (1,049) | (880) |
| Interest paid and equivalent | | (610) | (377) |
| **Net cash received from (used in) financing activities** | **29** | **(1,896)** | **2,377** |
| **Net cash received from (used in) discontinued operations** | | **–** | **–** |
| Impact of exchange rates on cash and cash equivalents | | 31 | 18 |
| **Net increase (decrease) in cash and cash equivalents** | | **(341)** | **(444)** |
| **Cash and cash equivalents at opening** | **25** | **3,650** | **4,094** |
| **Cash and cash equivalents at closing** | **25** | **3,309** | **3,650** |

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# INTRODUCTION

Kering SA, the Group's parent company, is a *société anonyme* (French corporation) with a Board of Directors, incorporated under French law, whose registered office is located at 40, rue de Sèvres – Paris 7e, France. Kering is a global group that manages the development of a collection of renowned Houses in fashion, leather goods and jewelry.

On February 10, 2025, the Board of Directors approved the consolidated financial statements as of December 31, 2024 and authorized their publication. These consolidated financial statements will only be considered as final after their adoption by the April 24, 2025 Annual General Meeting.

The consolidated financial statements as of December 31, 2024 reflect the accounting position of Kering SA, its subsidiaries and its associates (the "Group").

Pursuant to European Regulation No 1606/2002 of July 19, 2002, these consolidated financial statements were prepared in accordance with applicable international financial reporting standards (IFRSs) as endorsed by the European Union and mandatorily applicable as of the reporting date.

The accounting policies and methods applied by the Group pursuant to IFRSs are set out in Note 33 – Accounting policies and methods.

Unless otherwise stated, amounts are stated in millions of euros. In general, amounts stated in the consolidated financial statements and notes to the consolidated financial statements are rounded to the nearest unit. As a result, the sum of the rounded amounts may show non-material differences relative to the stated total.

# NOTE 1 – SIGNIFICANT EVENTS OF 2024

## Acquisition of strategic real estate assets in New York and Milan

On January 22, 2024, Kering announced the acquisition of a prestigious New York City property comprising luxury retail spaces across multiple floors and with total floorspace of approximately 10,700 sq. m. The building is located at 715-717 Fifth Avenue, and the price paid was $963 million (the equivalent of €885 million on the date of the announcement).

On April 4, 2024, the Group also announced the acquisition of the company that owns the iconic building located at 8 Via Montenapoleone in Milan, for a consideration of approximately €1.3 billion. This 18th century building is located on the most prestigious corner of Milan's *Quadrilatero della Moda* fashion district. It has five floors and gross floorspace of approximately 127,000 sq. ft, or 11,800 sq. m. The acquisition was completed on July 18, 2024 for a cash consideration of €1.3 billion.

These investments form part of Kering's selective real estate strategy aimed at securing key locations that are highly desirable for its Houses.

## Bond issues

On March 5, 2024, Kering carried out a dual-tranche bond issue for a total of €1.75 billion, consisting of:

- a €1 billion tranche with an 8-year maturity and a 3.375% coupon;
- a €750 million tranche with a 12-year maturity and a 3.625% coupon.

On November 14, 2024, Kering carried out a single-tranche bond issue for a total of €750 million with a 10-year maturity and a 3.625% coupon.

These issues form part of the Group's active liquidity management, and increases Kering's financial flexibility.

## €3 billion syndicated credit facility

On July 18, 2024, Kering signed a new €3 billion syndicated credit facility maturing in July 2029 and including two extension options of one year each. This new facility replaced the existing €2,385 million facility, which was canceled on the same day.

# NOTE 2 – SUBSEQUENT EVENTS

## Signature of an agreement regarding prime real estate assets in Paris with Ardian

On January 15, 2025, Kering and Ardian announced the signature of an investment agreement relating to three highly prestigious real estate properties in Paris. This portfolio comprises Hôtel de Nocé, located at 26, place Vendôme, and two buildings located on avenue Montaigne, at numbers 35-37 and 56.

Kering will transfer these assets to a newly created joint venture. Ardian, a world-leading private investment house, will hold 60% of this unique prime real estate portfolio, with Kering retaining a 40% stake. Net proceeds for Kering will amount to €837 million.

This transaction is part of Kering's selective real estate strategy, aimed at securing exceptional long-term retail locations for its Houses in the world's most emblematic luxury districts. For Ardian, this long-term partnership is a rare opportunity to bolster its presence in Paris by investing in three real estate assets located on the city's most prestigious streets, offering its clients access to a highly exclusive real estate market.

The deal is expected to close in the first quarter of 2025, pending the fulfillment of customary conditions for real estate transactions.

## Kering and Simon announce the completion of the sale of "The Mall Luxury outlets"

On January 30, 2025, Kering and Simon® announced the finalization of the sale of 100% of The Mall Luxury Outlets entities held by Kering to Simon, the US real estate investment trust engaged in the ownership of premier shopping, dining, entertainment destinations.

The Mall, created in 2001, operates two luxury outlet destinations in Italy. For Kering, the divestment of this non-core asset will generate net proceeds of approximately €350 million.

Kering's brands will maintain a presence in these two very high-end shopping villages, the strategy implemented by Kering aiming at gradually concentrating its outlet distribution to a limited number of exclusive venues.

# NOTE 3 – OPERATING SEGMENTS

## 3.1 Information by operating segment

| *(in € millions)* | Gucci | Yves Saint Laurent | Bottega Veneta | Other Houses | Kering Eyewear and Corporate | Eliminations[1] | Total |
|---|---|---|---|---|---|---|---|
| 2024 | | | | | | | |
| **Revenue** | **7,650** | **2,881** | **1,713** | **3,221** | **1,941** | **(212)** | **17,194** |
| **Recurring operating income** | **1,605** | **593** | **255** | **(9)** | **112** | **(2)** | **2,554** |
| Net recurring charges to depreciation, amortization and provisions on non-current operating assets | 798 | 328 | 208 | 435 | 344 | N/A | 2,113 |
| EBITDA | 2,403 | 921 | 463 | 426 | 456 | (2) | 4,667 |
| Acquisitions of property, plant and equipment and intangible assets[2] | 293 | 211 | 112 | 194 | 2,499 | N/A | 3,309 |

(1) Intra-group eliminations are disclosed in a separate column.

(2) Including the acquisition of strategic real estate properties up to €2,201 million.

| *(in € millions)* | Gucci | Yves Saint Laurent | Bottega Veneta | Other Houses | Kering Eyewear and Corporate | Eliminations | Total |
|---|---|---|---|---|---|---|---|
| 2023 | | | | | | | |
| **Revenue** | **9,873** | **3,179** | **1,645** | **3,514** | **1,568** | **(213)** | **19,566** |
| **Recurring operating income** | **3,264** | **969** | **312** | **212** | **(7)** | **(4)** | **4,746** |
| Net recurring charges to depreciation, amortization and provisions on non-current operating assets | 735 | 250 | 182 | 373 | 283 | N/A | 1,823 |
| EBITDA | 3,999 | 1,219 | 494 | 585 | 276 | (4) | 6,569 |
| Acquisitions of property, plant and equipment and intangible assets[1] | 435 | 186 | 105 | 247 | 1,638 | N/A | 2,611 |

(1) Including the acquisition of strategic real estate properties up to €1,380 million.

## 3.2 Revenue by region

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Asia-Pacific (Excluding Japan) | 5,222 | 6,848 |
| Western Europe | 4,995 | 5,405 |
| North America | 4,095 | 4,500 |
| Japan | 1,423 | 1,400 |
| Rest of the world | 1,459 | 1,413 |
| TOTAL | 17,194 | 19,566 |

# NOTES ON THE CONSOLIDATED INCOME STATEMENT

## NOTE 4 – REVENUE

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Sales from directly operated stores including e-commerce | 13,248 | 15,446 |
| Wholesale sales, royalties and other revenue[1] | 3,946 | 4,120 |
| TOTAL | 17,194 | 19,566 |

[1] After elimination of intra-group sales.

## NOTE 5 – PERSONNEL EXPENSES AND HEADCOUNT

### 5.1 Personnel expenses by type

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Wages, salaries and payroll taxes | (2,755) | (2,682) |
| Expenses related to pensions and other post-employment benefits under defined benefit plans | (11) | (11) |
| Expense related to share-based payments | (16) | (10) |
| Other | (235) | (279) |
| TOTAL[1] | (3,017) | (2,982) |

[1] Excludes personnel expenses included in the cost of sales.

### 5.2 Average headcount on a full-time equivalent basis by region

| | 2024 | 2023 |
|---|---|---|
| Asia-Pacific (excluding Japan) | 12,053 | 12,318 |
| Western Europe | 21,717 | 21,777 |
| North America | 5,645 | 5,638 |
| Japan | 2,884 | 2,808 |
| Rest of the world | 3,545 | 3,473 |
| TOTAL | 45,845 | 46,014 |

### 5.3 Headcount on the payroll at year-end by region

| | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Asia-Pacific (excluding Japan) | 11,860 | 12,739 |
| Western Europe | 22,607 | 23,593 |
| North America | 5,805 | 5,957 |
| Japan | 3,074 | 2,978 |
| Rest of the world | 3,584 | 3,697 |
| TOTAL | 46,930 | 48,964 |

# NOTE 6 – SHARE-BASED PAYMENT

## Plans settled in Kering shares

### Free share and performance share plans

Since 2020, with respect to its long-term incentive plans, Kering has introduced free share and performance share plans for senior executives and certain Group employees. The characteristics of these plans are as follows:

## Information on grants

| Year granted | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| Grant date | 10/01/2021 | 10/04/2022 | 10/03/2023 | 10/02/2024 |
| Vesting period | 3 years | 3 years | 3 years | 3 years |
| Number of beneficiaries on the grant date | 372 | 497 | 610 | 609 |
| Number of shares initially granted | 42,752 | 74,274 | 73,222 | 221,159 |
| Unit fair value at grant date *(in €)* | 622,5-628,3 | 457,2-461,5 | 397,3-403,4 | 220,7-225,39 |

## Number of shares outstanding

| Year granted | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|
| **Balance as of December 31, 2023** | **30,452** | **56,054** | **71,827** | **–** |
| Number granted | – | – | – | 221,159 |
| Number forfeited | (15,771) | (11,324) | (12,742) | (16,995) |
| Number delivered | (14,681) | (81) | – | – |
| **Balance as of December 31, 2024** | **–** | **44,649** | **59,085** | **204,164** |

Under performance share plans, the final number of shares delivered to beneficiaries who continue to be employed by the Group at the end of the vesting period cannot be less than 50% of, or over 50% more than the initial grant made to these beneficiaries. The performance adjustment ratio used to calculate the final number of shares to be delivered is determined in line with Kering's share performance over the three-year vesting period versus the performance of the industry as a whole, as measured by an index of eight European luxury stocks.

As well as the performance conditions applicable to all beneficiaries, specific performance conditions apply to the corporate officers, as outlined at the Annual General Meetings of April 22, 2021, April 28, 2022, April 27, 2023 and April 25, 2024.

# NOTE 7 – OTHER NON-RECURRING OPERATING INCOME AND EXPENSES

| *(in € millions)* | **2024** | **2023** |
|---|---|---|
| Gains relating to changes in scope | 1 | 28 |
| Capital gains on disposals of non-current assets | 8 | 85 |
| Restructuring reversal | 47 | 35 |
| Other | 3 | 19 |
| **Other non-recurring operating income** | **60** | **167** |
| Losses relating to changes in scope | – | (1) |
| Impairment of goodwill and other non-current assets | (111) | (70) |
| Restructuring costs | (120) | (111) |
| Acquisition costs | (2) | (39) |
| Other | (69) | (50) |
| **Other non-recurring operating expenses** | **(302)** | **(270)** |
| Other non-recurring operating income and expenses | (242) | (103) |

In 2024, impairment of non-current assets mainly concerned an adjustment to the carrying amount of assets that will be transferred as part of the partnership signed with Ardian in January 2025. Those assets are classified as "Assets held for sale".

Restructuring charges, net of reversals, mainly relate to expenditure incurred at Gucci's head office and in its regional operations, in order to improve its organization.

Other expenses comprise:

- costs and compensation payments related to the streamlining of the Houses' store networks and the Group's offices;
- advisory fees related to non-recurring transactions;
- various other costs.

In 2023, the gain from changes in the scope of consolidation arose from the change in consolidation method used for Ginori 1735. The €85 million capital gain on asset disposals arose from the disposal of a building in London.

Restructuring costs, net of reversals, mainly concerned the continuation of the restructuring that began at Gucci in 2022. Other non-recurring operating expenses corresponded to the impairment of other non-current assets at Gucci, Alexander McQueen and Brioni, along with costs related to the Creed acquisition.

# NOTE 8 – FINANCIAL RESULT

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| **Cost of net debt[1]** | **(320)** | **(108)** |
| Income from cash and cash equivalents | 79 | 102 |
| Finance costs at amortized cost | (398) | (210) |
| **Other financial income and expenses** | **(89)** | **(151)** |
| Net gains (losses) on financial assets | 2 | 15 |
| Net foreign exchange gains (losses) | (30) | (64) |
| Ineffective portion of cash flow and fair value hedges | (37) | (95) |
| Net gains (losses) on derivative instruments not qualifying for hedge accounting | (9) | 9 |
| Other finance costs | (16) | (16) |
| **Financial result excluding leases** | **(409)** | **(259)** |
| Interest expense on lease liabilities | (205) | (151) |
| TOTAL | (614) | (410) |

(1) Net debt is defined in Note 33.1.4.

The Group's cost of net debt was €320 million in 2024 (€108 million in 2023). The €212 million increase mainly arose from the increase in outstanding bond debt in 2023 and 2024.

Other financial income and expense produced a net expense of €89 million in 2024 (€151 million in 2023). The €62 million decrease was mainly due to weaker exchange-rate effects.

# NOTE 9 – INCOME TAXES

## 9.1 Income tax expense

As of December 31, 2024, the Group's effective tax rate for the year was 27.1%. This rate includes the effects of the "Pillar 2" rules published in December 2021 by the Organisation for Economic Co-operation and Development (OECD), which have a non-significant impact.

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Current tax expense | (526) | (1,007) |
| Deferred tax income/(expense) | 65 | (156) |
| TOTAL | (461) | (1,163) |

## 9.2 Reconciliation of the effective tax rate

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Income before tax | 1,698 | 4,233 |
| Income tax expense | (461) | (1,163) |
| **Effective tax rate** | **27.1%** | **27.5%** |
| Other non-recurring operating income and expenses | (242) | (103) |
| Recurring income before tax | 1,940 | 4,336 |
| Income tax on other non-recurring operating income and expenses | 65 | 25 |
| Tax expense on recurring income | (526) | (1,188) |
| **Effective tax rate on recurring income** | **27.1%** | **27.4%** |

| *(as a % of pre-tax income)* | 2024 | 2023 |
|---|---|---|
| **Tax rate applicable in France** | **25.8%** | **25.8%** |
| Differences in the tax rates applicable to foreign subsidiaries | -2.7% | -1.9% |
| Permanent differences | 2.1% | -0.4% |
| Unrecognized tax losses carried forward | -0.7% | -0.8% |
| Other differences | 2.6% | 4.7% |
| **Effective tax rate on recurring income** | **27.1%** | **27.4%** |
| Differences relating to other non-recurring operating income and expenses (permanent differences and differences in tax rates) | – | 0.1% |
| **Effective tax rate** | **27.1%** | **27.5%** |

The income tax rate applicable in France in 2024 was the standard rate of 25%, plus a social surtax of 3.3%, bringing the overall rate to 25.8%.

Differences in the tax rates applicable to foreign subsidiaries correspond to the difference between the statutory tax rate applicable in France and the different statutory tax rates applicable in other countries in which the Group does business.

Permanent differences result from expenses not deductible and/or income not taxable pursuant to the tax laws of the countries in which the Group operates.

Other differences mainly relate to other taxes, such as the IRAP regional production tax in Italy, the CVAE tax on value added in France, tax credits, and the impact of any tax reassessments.

## 9.3 Deferred tax assets and liabilities

| *(in € millions)* | Dec. 31, 2023 | Income statement | Gains and losses recognized in equity | Other changes[1] | Dec. 31, 2024 |
|---|---|---|---|---|---|
| Deferred tax assets | 1,520 | 89 | 19 | 23 | 1,651 |
| Deferred tax liabilities | (1,776) | (24) | 2 | (187) | (1,985) |
| **Net deferred tax assets (liabilities)** | **(257)** | **65** | **21** | **(163)** | **(334)** |
| Value of brands | (1,681) | (1) | – | (123) | (1,805) |
| Inventories: elimination of internal margins and impairment | 1,026 | (135) | – | 25 | 916 |
| Other adjustments | 370 | (7) | 21 | (69) | 315 |
| Tax loss carryforwards | 28 | 208 | – | 4 | 241 |

(1) "Other changes" include foreign exchange differences and changes in scope.

## 9.4 Unrecognized deferred tax assets

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Deferred tax assets on tax loss carryforwards | 314 | 332 |
| Deferred tax assets on other temporary differences | 40 | 39 |
| **Unrecognized deferred tax assets** | **354** | **370** |

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Unrecognized tax loss carryforwards expiring in *(tax base)* | 942 | 968 |
| *less than five years* | *12* | *9* |
| *more than five years* | *930* | *959* |
| Indefinite unrecognized tax loss carryforwards *(tax base)* | 551 | 607 |
| **Total unrecognized tax loss carryforwards** *(tax base)* | **1,493** | **1,575** |

# NOTE 10 – EARNINGS PER SHARE

## 10.1 Earnings per share

### 2024

| | Consolidated Group | Continuing operations | Discontinued operations |
|---|---|---|---|
| **Net income attributable to the Group** *(in € millions)* | **1,133.2** | **1,133.2** | **–** |
| Weighted average number of ordinary shares outstanding | 123,420,778 | 123,420,778 | 123,420,778 |
| Weighted average number of Kering treasury shares | (803,181) | (803,181) | (803,181) |
| **Weighted average number of ordinary shares** | **122,617,597** | **122,617,597** | **122,617,597** |
| **Basic earnings per share** *(in €)* | **9.24** | **9.24** | **–** |
| | | | |
| Weighted average number of ordinary shares | 122,617,597 | 122,617,597 | 122,617,597 |
| Potentially dilutive ordinary shares | 51,744 | 51,744 | 51,744 |
| **Weighted average number of diluted ordinary shares** | **122,669,341** | **122,669,341** | **122,669,341** |
| **Diluted earnings per share** *(in €)* | **9.24** | **9.24** | **–** |

### 2023

| | Consolidated Group | Continuing operations | Discontinued operations |
|---|---|---|---|
| **Net income attributable to the Group** *(in € millions)* | **2,982.6** | **2,982.6** | **–** |
| Weighted average number of ordinary shares outstanding | 123,953,244 | 123,953,244 | 123,953,244 |
| Weighted average number of Kering treasury shares | (1,606,750) | (1,606,750) | (1,606,750) |
| **Weighted average number of ordinary shares** | **122,346,494** | **122,346,494** | **122,346,494** |
| **Basic earnings per share** *(in €)* | **24.38** | **24.38** | **–** |
| | | | |
| Weighted average number of ordinary shares | 122,346,494 | 122,346,494 | 122,346,494 |
| Potentially dilutive ordinary shares | 36,436 | 36,436 | 36,436 |
| **Weighted average number of diluted ordinary shares** | **122,382,930** | **122,382,930** | **122,382,930** |
| **Diluted earnings per share** *(in €)* | **24.37** | **24.37** | **–** |

## 10.2 Earnings per share from continuing operations excluding non-recurring items

Non-recurring items presented below consist of other non-recurring operating income and expenses (see Note 7), reported net of tax and any minority interests.

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| **Net income from continuing operations attributable to the Group** | **1,133.2** | **2,982.6** |
| Other non-recurring operating income and expenses | (240.7) | (102.8) |
| Income tax on other non-recurring operating income and expenses | 64.3 | 24.7 |
| **Net income from continuing operations (excluding non-recurring items) attributable to the Group** | **1,309.6** | **3,060.7** |

| | 2024 | 2023 |
|---|---|---|
| Weighted average number of ordinary shares outstanding | 123,420,778 | 123,953,244 |
| Weighted average number of Kering treasury shares | (803,181) | (1,606,750) |
| **Weighted average number of ordinary shares** | **122,617,597** | **122,346,494** |
| **Basic earnings per share from continuing operations excluding non-recurring items** *(in €)* | **10.68** | **25.02** |

| | | |
|---|---|---|
| Weighted average number of ordinary shares | 122,617,597 | 122,346,494 |
| Potentially dilutive ordinary shares | 51,744 | 36,436 |
| **Weighted average number of diluted ordinary shares** | **122,669,341** | **122,382,930** |
| **Diluted earnings per share from continuing operations excluding non-recurring items** *(in €)* | **10.68** | **25.01** |

# NOTES ON THE CONSOLIDATED BALANCE SHEET

## NOTE 11 – GOODWILL AND IMPAIRMENT TESTS

### 11.1 Changes during the period

#### 2024

| *(in € millions)* | As of January 1 | Acquisitions | Impairment losses | Changes in scope | Foreign exchange differences | Other movements | As of December 31 |
|---|---|---|---|---|---|---|---|
| **Gross** | **7,324** | **12** | **–** | **–** | **(17)** | **(832)** | **6,487** |
| Impairment losses | (211) | – | – | – | 1 | – | (210) |
| NET | 7,112 | 12 | – | – | (16) | (832) | 6,277 |

Other movements during the period correspond mainly to the allocation of goodwill relating to Creed in an amount of €830 million.

#### 2023

| *(in € millions)* | As of January 1 | Acquisitions | Impairment losses | Changes in scope | Foreign exchange differences | Other movements | As of December 31 |
|---|---|---|---|---|---|---|---|
| **Gross** | **4,261** | **3,508** | **–** | **–** | **72** | **(517)** | **7,324** |
| Impairment losses | (207) | – | – | – | (5) | – | (211) |
| NET | 4,053 | 3,508 | – | – | 67 | (517) | 7,112 |

Acquisitions in 2023 corresponds mainly to €3,423 million of provisional goodwill relating to Creed. The €517 million of Other movements corresponds mainly to the allocation of goodwill relating to Maui Jim.

Creed's contribution to revenue in 2023 was €62 million.

### 11.2 Impairment tests

As part of the goodwill measurement process, an impairment test was carried out as of December 31, 2024. The main assumptions used for each cash-generating unit (CGU) or group of CGUs are as follows:

#### 2024

| | Goodwill | | | |
|---|---|---|---|---|
| **Dec. 31, 2024** *(in € millions)* | **Net carrying amount** | **Discount rate (before tax)** | **Perpetual growth rate** | **Business plan time frame** |
| Gucci CGU | 1,655 | 15.4% | 2.8% | 5 years |
| Other CGUs | 4,622 | 11.9% - 15.7% | 2.8% | 5 or 10 years |
| TOTAL | 6,277 | | | |

#### 2023

| | Goodwill | | | |
|---|---|---|---|---|
| **Dec. 31, 2023** *(in € millions)* | **Net carrying amount** | **Discount rate (before tax)** | **Perpetual growth rate** | **Business plan time frame** |
| Gucci CGU | 1,649 | 15.4% | 3.0% | 5 years |
| Other CGUs | 5,464 | 12.1% - 15.7% | 3.0% | 5 or 10 years |
| TOTAL | 7,112 | | | |

In 2024, no impairment loss was recognized statement as a result of impairment tests.

Recoverable amounts determined as part of impairment tests underwent sensitivity testing based on a 10-basis-point increase in the post-tax discount rate, a 10-basis-point decrease in the perpetual growth rate and a 10-basis-point decrease in cash flows.

These tests did not show a recoverable amount less than the carrying amount of cash-generating units or groups of cash-generating units.

# NOTE 12 – BRANDS AND OTHER INTANGIBLE ASSETS

| *(in € millions)* | Gross | Amortization and impairment | Dec. 31, 2024 Net | Dec. 31, 2023 Net |
|---|---|---|---|---|
| Brands | 8,470 | (103) | 8,366 | 7,208 |
| Other intangible assets | 2,387 | (1,467) | 920 | 970 |
| TOTAL | 10,857 | (1,570) | 9,287 | 8,178 |

In 2024, changes in brands and other intangible assets were as follows:

## 2024

| *(in € millions)* | Carrying amount as of January 1 | Acquisitions | Amortization | Impairment losses | Changes in scope | Foreign exchange differences | Other movements | Carrying amount as of December 31 |
|---|---|---|---|---|---|---|---|---|
| Brands | 7,208 | – | – | – | – | 37 | 1,121 [(1)] | 8,366 |
| Other intangible assets | 970 | 303 | (235) | (20) | 3 | 9 | (110) | 920 |
| TOTAL | 8,178 | 303 | (235) | (20) | 3 | 46 | 1,012 | 9,287 |

(1) The amount under "Other movements" is mainly related to the provisional goodwill recognized on the acquisition of Creed in 2023, primarily allocated to the brand in 2024.

## 2023

| *(in € millions)* | Carrying amount as of January 1 | Acquisitions | Amortization | Impairment losses | Changes in scope | Foreign exchange differences | Other movements | Carrying amount as of December 31 |
|---|---|---|---|---|---|---|---|---|
| Brands | 6,655 | – | – | – | – | (76) | 628 [(1)] | 7,208 |
| Other intangible assets | 702 | 311 | (221) | – | 114 | (9) | 74 | 970 |
| TOTAL | 7,357 | 311 | (221) | – | 114 | (85) | 702 | 8,178 |

(1) The amount under "Other movements" relates mainly to the Maui Jim brand.

# NOTE 13 – LEASES

## 13.1 Lease right-of-use assets

| *(in € millions)* | Gross | Depreciation and impairment | Dec. 31, 2024 Net | Dec. 31, 2023 Net |
|---|---|---|---|---|
| Stores | 7,791 | (3,509) | 4,282 | 3,706 |
| Offices and other | 1,927 | (722) | 1,205 | 1,151 |
| **Capitalized fixed lease payments** | **9,718** | **(4,231)** | **5,487** | **4,857** |
| Lease rights | 219 | (91) | 128 | 127 |
| TOTAL | 9,937 | (4,322) | 5,615 | 4,984 |

## Change in lease right-of-use assets

### 2024

| *(in € millions)* | Carrying amount as of January 1 | New leases | Lease modifications | Early terminations | Depreciation | Impairment losses | Foreign exchange differences | Other | Carrying amount as of December 31 |
|---|---|---|---|---|---|---|---|---|---|
| Stores | 3,706 | 1,189 | 285 | (61) | (959) | (2) | 105 | 18 | 4,282 |
| Offices and other | 1,151 | 181 | 54 | (2) | (165) | - | 8 | (22) | 1,205 |
| **Total** | **4,857** | **1,370** | **339** | **(63)** | **(1,124)** | **(2)** | **113** | **(4)** | **5,487** |
| Lease rights | 127 | 10 | - | - | (9) | (1) | - | 1 | 128 |
| TOTAL | 4,984 | 1,380 | 339 | (63) | (1,133) | (3) | 113 | (3) | 5,615 |

### 2023

| *(in € millions)* | Carrying amount as of January 1 | New leases | Lease modifications | Early terminations | Depreciation | Impairment losses | Foreign exchange differences | Other | Carrying amount as of December 31 |
|---|---|---|---|---|---|---|---|---|---|
| Stores | 3,682 | 1,060 | 147 | (84) | (815) | (10) | (106) | (168) | 3,706 |
| Offices and other | 1,126 | 245 | 7 | (54) | (161) | (29) | (7) | 23 | 1,151 |
| **Total** | **4,808** | **1,305** | **154** | **(138)** | **(976)** | **(39)** | **(113)** | **(145)** | **4,857** |
| Lease rights | 121 | 13 | – | – | (9) | (2) | (1) | 5 | 127 |
| TOTAL | 4,929 | 1,318 | 154 | (138) | (985) | (41) | (114) | (140) | 4,984 |

## 13.2 Lease liabilities

| *(in € millions)* | Less than one year | One to five years | More than five years | Total as of Dec. 31, 2024 | Total as of Dec. 31, 2023 |
|---|---|---|---|---|---|
| Maturity schedule of lease liabilities | 1,051 | 2,775 | 2,281 | 6,107 | 5,395 |

As of December 31, 2024, current lease liabilities amounted to €1,051 million (€884 million in 2023). Non-current lease liabilities totaled €5,056 million (€4,511 million in 2023).

## Change in lease liabilities

### 2024

| (in € millions) | Carrying amount as of January 1 | New leases | Repay-ments | Interest expense | Lease modifi-cations | Early termi-nations | Foreign exchange difference | Other | Carrying amount as of December 31 |
|---|---|---|---|---|---|---|---|---|---|
| Stores | 4,153 | 1,187 | (1,061) | 168 | 286 | (75) | 123 | (6) | 4,775 |
| Offices and other | 1,242 | 181 | (192) | 37 | 54 | – | 11 | (1) | 1,332 |
| TOTAL | 5,395 | 1,368 | (1,253) | 205 | 340 | (75) | 134 | (7) | 6,107 |

### 2023

| (in € millions) | Carrying amount as of January 1 | New leases | Repay-ments | Interest expense | Lease modifi-cations | Early termi-nations | Foreign exchange difference | Other | Carrying amount as of December 31 |
|---|---|---|---|---|---|---|---|---|---|
| Stores | 4,027 | 1,066 | (850) | 119 | 138 | (99) | (116) | (133) | 4,153 |
| Offices and other | 1,204 | 248 | (180) | 32 | 7 | (68) | (8) | 7 | 1,242 |
| TOTAL | 5,232 | 1,314 | (1,030) | 151 | 145 | (167) | (124) | (126) | 5,395 |

## 13.3 Impact of leases in the income statement

| (in € millions) | 2024 | 2023 |
|---|---|---|
| Depreciation of lease right-of-use assets | (1,133) | (985) |
| Interest expense on lease liabilities | (205) | (151) |
| Impairment of lease right-of-use assets | 3 | 41 |
| **Expense related to capitalized fixed lease payments** | **(1,335)** | **(1,094)** |
| Rental expense – Variable lease payments | (805) | (1,032) |
| Rental expense – Short-term leases and/or Leases with a low-value underlying asset | (104) | (96) |
| Sub-lease revenue | 11 | 10 |
| **Other lease expenses** | **(898)** | **(1,118)** |
| TOTAL | (2,233) | (2,212) |

## 13.4 Net deferred tax assets (liabilities) on leases

| (in € millions) | 2024 | 2023 |
|---|---|---|
| Deferred tax assets | 1,843 | 1,463 |
| Deferred tax liabilities | (1,775) | (1,408) |
| Net deferred tax assets (liabilities) | 68 | 55 |

# NOTE 14 – PROPERTY, PLANT AND EQUIPMENT

| *(in € millions)* | Gross | Depreciation and Impairment | Dec. 31, 2024 Net | Dec. 31, 2023 Net |
|---|---|---|---|---|
| Land and buildings | 3,677 | (257) | 3,421 | 2,407 |
| Plant and equipment | 6,272 | (3,548) | 2,724 | 2,532 |
| Other property, plant and equipment | 537 | (145) | 392 | 402 |
| TOTAL | 10,486 | (3,950) | 6,537 | 5,341 |

## 2024

| *(in € millions)* | Carrying amount as of January 1 | Acquisitions | Disposals | Depreciation | Impairment losses | Changes in scope | Foreign exchange differences | Other movements | Carrying amount as of December 31 |
|---|---|---|---|---|---|---|---|---|---|
| Land and buildings | 2,407 | 2,182 [1] | (23) | (32) | (88) | – | 33 | (1,059) | 3,421 |
| Plant and equipment | 2,532 | 620 | (2) | (677) | (16) | 2 | 49 | 216 | 2,724 |
| Other property, plant and equipment | 402 | 235 | – | (22) | (2) | 1 | 7 | (229) | 392 |
| TOTAL | 5,341 | 3,037 | (24) | (731) | (106) | 3 | 89 | (1,072) [2] | 6,537 |

[1] Acquisitions during the period mainly correspond to acquisitions of strategic real estate assets in Milan and New York (see Note 1).
[2] "Other movements" in the period mainly relate to the reclassification of three prestigious real estate properties in Paris as Assets held for sale (see Note 2).

## 2023

| *(in € millions)* | Carrying amount as of January 1 | Acquisitions | Disposals | Depreciation | Impairment losses | Changes in scope | Foreign exchange differences | Other movements | Carrying amount as of December 31 |
|---|---|---|---|---|---|---|---|---|---|
| Land and buildings | 683 | 1,695 [1] | (33) | (27) | – | 17 | (8) | 80 | 2,407 |
| Plant and equipment | 2,211 | 743 | (2) | (591) | (20) | 19 | (67) | 239 | 2,532 |
| Other property, plant and equipment | 494 | 168 | (1) | (16) | (1) | 10 | (9) | (244) | 402 |
| TOTAL | 3,388 | 2,607 | (37) | (634) | (21) | 47 | (83) | 76 | 5,341 |

[1] In 2023, Acquisitions mainly correspond to acquisitions of prestigious real estate assets in Paris.

# NOTE 15 – INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES

Companies accounted for by the equity method comprise associates (see Note 34). The Group's investments in associates break down as follows:

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Valentino | 1,687 | 1,698 |
| Other investments in equity-accounted companies | 75 | 52 |
| TOTAL | 1,762 | 1,750 |

In November 2023, Kering completed the acquisition of a 30% shareholding in Italian fashion house Valentino for €1.7 billion under a broader strategic partnership with Mayhoola. The agreement included cross put and call options under which the Group gave an undertaking to acquire an additional 70% stake from May 2026 through 2028 should the options be exercised.

If the options are exercised, the exercise price will be adjusted on the basis of Valentino's performance and prospects for future years. The value of this commitment at closing is estimated at around €4 billion (see Note 30.4).

Valentino is an internationally recognized Italian house with a high-end luxury positioning rooted in haute couture. It has also developed a ready-to-wear, leather goods, accessories and beauty offering for men and women.

The share of net income from equity-accounted companies amounts to a loss of €11 million for Valentino.

The Valentino group's consolidated financial statements prepared under IFRS and in euros were used to account for Valentino under the equity method in Kering's financial statements. These consolidated financial statements have not been published. The financial statements include certain transactions entered into between Kering and Valentino on an arm's length basis.

The Valentino group generated net income of €23.4 million on revenue of €1,348 million in 2023 via its network of over 200 stores in more than 25 countries. No dividend was paid in respect of 2023.

Furthermore, no other financial or operational commitment has been made to the equity-accounted company, Valentino.

All of Kering's minority interests represent a loss of €10 million in the net income of equity-accounted companies (a gain of €4 million in 2023).

# NOTE 16 – FINANCIAL ASSETS

## 16.1 Breakdown of financial assets

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Non-consolidated investments[1] | 65 | 167 |
| Loans and receivables | 2 | 3 |
| Deposits and guarantees | 254 | 232 |
| Other financial investments[2] | 170 | 136 |
| **Non-current financial assets** | **492** | **536** |
| Derivative instruments | 35 | 122 |
| Loans and receivables | 7 | 14 |
| **Current financial assets** | **42** | **136** |

(1) Including a 0.4% interest in PUMA in 2023. As of December 31, 2024, the Group no longer holds any interest in PUMA.

(2) Including an investment in the Climate Fund for Nature in an amount of €18.1 million, managed by Natixis subsidiary Mirova. As part of its proactive strategy to offset its carbon emissions, on February 16, 2023 Kering undertook to invest up to €100 million in this carbon fund. As of December 31, 2024, the commitment amounted to €77.5 million.

## 16.2 Financial assets at fair value

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Non-consolidated investments | 65 | 167 |
| *o/w changes in fair value recognized through equity* | *65* | *166* |
| *o/w changes in fair value recognized through the income statement* | *–* | *1* |
| Derivative instruments | 35 | 122 |
| Other financial investments | 170 | 136 |
| *o/w changes in fair value recognized through equity* | *164* | *130* |
| *o/w changes in fair value recognized through the income statement* | *6* | *6* |
| **Financial assets at fair value** | **270** | **425** |

The fair value of non-consolidated investments quoted on an active market is their market price as of the reporting date (level 1 of the fair value hierarchy). The change of the year mainly corresponds to the disposal of PUMA shares. The fair value of non-consolidated investments not quoted on an active market is determined using internal valuation techniques drawing on non-observable inputs (level 3 of the fair value hierarchy). The securities in this category are not material.

The fair value of derivative instruments is determined using valuation techniques drawing on observable market inputs (such as forward rates and interest rate curves) and on commonly used models (level 2 of the fair value hierarchy) (see Note 21).

The fair value of other financial investments measured at fair value is determined using internal valuation techniques drawing on non-observable inputs (level 3 of the fair value hierarchy).

# NOTE 17 – INVENTORIES

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Commercial inventories | 4,439 | 4,981 |
| Industrial inventories | 1,020 | 1,094 |
| **Gross Value** | **5,459** | **6,075** |
| Allowances | (1,467) | (1,525) |
| **Carrying amount** | **3,992** | **4,550** |

## Movements in allowances

| *(in € millions)* | As of January 1 | Additions | Reversals | Changes in scope | Assets held for sale | Foreign exchange differences | Other movements | As of December 31 |
|---|---|---|---|---|---|---|---|---|
| 2024 | (1,525) | (145) | 218 | – | – | (8) | (7) | (1,467) |
| 2023 | (1,343) | (244) | 62 | (11) | – | 24 | (12) | (1,525) |

# NOTE 18 – TRADE RECEIVABLES AND ACCRUED INCOME

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Trade receivables and accrued income | 1,058 | 1,178 |
| Allowances | (55) | (26) |
| **Carrying amount** | **1,003** | **1,151** |

## Movements in allowances

| *(in € millions)* | As of January 1 | Net (additions) reversals | Changes in scope | Foreign exchange differences | Other movements | As of December 31 |
|---|---|---|---|---|---|---|
| 2024 | (26) | (29) | – | (1) | 1 | (55) |
| 2023 | (27) | 1 | (2) | 1 | 1 | (26) |

**Breakdown of trade receivables and accrued income by age**

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Receivables not yet due | 894 | 999 |
| Past due receivables: | 164 | 179 |
| *Less than one month* | *85* | *108* |
| *One to six months* | *55* | *61* |
| *More than six months* | *24* | *10* |
| Allowances | (55) | (26) |

## Credit risk

In light of the Group's business model, with wholesale sales and royalties received from wholesalers making a smaller contribution to total sales, the Group does not have significant exposure to credit risk. Furthermore, the Group has no dependency or concentration risk with respect to wholesalers. The Group substantially limits the credit risk linked to wholesale clients by taking out credit insurance.

# NOTE 19 – EQUITY

As of December 31, 2024, the share capital amounted to €493,683,112, comprising 123,420,778 fully paid-up shares with a par value of €4 each (unchanged from December 31, 2023).

Excluding the 819,085 Kering treasury shares, there were 122,601,693 shares issued and outstanding as of December 31, 2024.

## 19.1 Kering treasury shares

| | Dec. 31, 2024 | | Dec. 31, 2023 | |
|---|---|---|---|---|
| *(in € millions)* | Number | Amount | Number | Amount |
| Liquidity agreement | – | – | 6,750 | 3 |
| Share buyback program (for cancellation) | – | – | – | – |
| Share-based payment | 819,085 | 365 | 833,847 | 447 |
| **Kering treasury shares** | **819,085** | **365** | **840,597** | **450** |

### Change in Kering treasury shares

| *(in € millions)* | Number | Amount | Impact on cash |
|---|---|---|---|
| **As of January 1,2024** | **840,597** | **450** | **N/A** |
| Purchases under the liquidity agreement | 647,706 | 198 | (198) |
| Disposals under the liquidity agreement | (654,456) | (200) | 200 |
| Purchases under share-based payment plans | – | – | – |
| Purchases with a view to canceling the shares | – | – | – |
| Cancellations under the share buyback program | – | – | – |
| Shares vested | (14,762) | (7) | N/A |
| Net capital gain (loss) on disposal | – | (74) | N/A |
| **As of December 31, 2024** | **819,085** | **365** | **3** |

### Liquidity agreement

Since May 26, 2004, Kering has maintained agreements with a financial intermediary in order to improve the liquidity of the Group's shares and ensure share price stability. The latest agreement was signed on February 13, 2019, in accordance with AMF ruling No 2018-01 of July 2, 2018, applicable since January 1, 2019. An amendment to that agreement came into force on July 1, 2021, providing for the resources in the liquidity account to be reduced by €25 million. As a result, there has been €25 million in the liquidity account since July 1, 2021.

### Share buyback programs

With the exception of the aforementioned liquidity agreement, there is no ongoing share buyback program, the last share buyback program having been completed on December 15, 2022.

## 19.2 Dividends paid by Kering SA

| *(in € millions)* | Dividend for 2024 | Dividend for 2023 |
|---|---|---|
| INTERIM DIVIDEND | | |
| Amount per share | €2.00 | €4.50 |
| Payment date | January 16, 2025 | January 17, 2024 |
| Gross amount paid | 245 | 552 |
| BALANCE PAID THE FOLLOWING YEAR FURTHER TO THE AGM | | |
| Amount per share | €4.00 (1) | €9.50 |
| Payment date | May 7, 2025 | May 6, 2024 |
| Gross amount paid | 494 (1) (2) | 1,165 |
| TOTAL DIVIDEND | | |
| Amount per share | €6.00 | €14.00 |
| Total gross amount | 739 (2) | 1,716 |

(1) Based on a recommendation of Kering's Board of Directors of February 10, 2025, pending approval in the Annual General Meeting of April 24, 2025.
(2) Without adjusting for the effect of Kering shares held in treasury.

Amounts paid are presented after adjusting for the effect of Kering shares held in treasury.

# NOTE 20 – NET DEBT

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Borrowings | 14,035 | 12,426 |
| Cash and cash equivalents | (3,518) | (3,922) |
| TOTAL | 10,517 | 8,504 |

## 20.1 Cash and cash equivalents

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Cash | 2,274 | 3,103 |
| Cash equivalents[(1)] | 1,244 | 819 |
| TOTAL | 3,518 | 3,922 |

(1) Including term deposits and mutual fund units.

## 20.2 Breakdown of borrowings by category and maturity

| *(in € millions)* | Dec. 31, 2024 | Current | Y + 2 | Y + 3 | Y + 4 | Y + 5 | Beyond | Total non-current |
|---|---|---|---|---|---|---|---|---|
| Bonds | 11,840 | 1,499 | 980 | 1,241 | 598 | 746 | 6,776 | 10,341 |
| Other bank borrowings | 138 | 106 | 32 | – | – | – | – | 32 |
| Bank overdrafts | 209 | 209 | – | – | – | – | – | – |
| Commercial paper | 854 | 854 | – | – | – | – | – | – |
| Other borrowings[(1)] | 994 | 812 | – | 90 | 1 | 58 | 34 | 183 |
| *o/w Put options granted to minority interests* | *704* | *523* | *–* | *90* | *1* | *57* | *34* | *182* |
| TOTAL | 14,035 | 3,479 | 1,012 | 1,331 | 599 | 804 | 6,810 | 10,556 |
| % | 100% | 25% | 7% | 9% | 4% | 6% | 49% | 75% |

| *(in € millions)* | Dec. 31, 2023 | Current | Y + 2 | Y + 3 | Y + 4 | Y + 5 | Beyond | Total non-current |
|---|---|---|---|---|---|---|---|---|
| Bonds | 9,795 | 500 | 1,497 | 959 | 1,228 | 597 | 5,014 | 9,295 |
| Other bank borrowings | 134 | 68 | 46 | 19 | – | – | – | 66 |
| Bank overdrafts | 272 | 272 | – | – | – | – | – | – |
| Commercial paper | 1,277 | 1,277 | – | – | – | – | – | – |
| Other borrowings[(1)] | 948 | 282 | 541 | – | 63 | 2 | 59 | 665 |
| *o/w Put options granted to minority interests* | *711* | *47* | *541* | *–* | *63* | *1* | *59* | *664* |
| TOTAL | 12,426 | 2,400 | 2,085 | 978 | 1,291 | 599 | 5,073 | 10,026 |
| % | 100% | 19% | 17% | 8% | 10% | 5% | 41% | 81% |

(1) Other borrowings include accrued interest.

## 20.3 Breakdown of borrowings by repayment currency

| *(in € millions)* | Dec. 31, 2024 | % | Dec. 31, 2023 | % |
|---|---|---|---|---|
| EUR | 12,597 | 90% | 11,046 | 89% |
| GBP | 972 | 7% | 927 | 7% |
| USD | 201 | 1% | 182 | 1% |
| JPY | 190 | 1% | 193 | 2% |
| Other currencies | 75 | 1% | 78 | 1% |
| TOTAL | 14,035 | 100% | 12,426 | 100% |

Borrowings denominated in foreign currencies finance the Group's operations outside the eurozone.

## 20.4 Bonds

On March 11, 2024, the Group issued €1.75 billion of bonds, consisting of a €1 billion tranche with an 8-year maturity and a 3.375% coupon, and a €750 million tranche with a 12-year maturity and a 3.625% coupon.

In April 2024, the Group repaid €500 million of bonds initially issued in April 2014.

On November 21, 2024, the Group issued €750 million of 10-year bonds with a coupon of 3.625%.

The Group has a Euro Medium Term Notes (EMTN) program capped at €17,000 million as of December 31, 2024, of which €11,907 million had been drawn as of that date.

The bonds issued between 2015 and 2017 within the scope of the EMTN program are all subject to a change-of-control clause entitling bondholders to request early redemption at par if Kering's rating is downgraded to non-investment grade following a change of control.

| Par value *(in millions, local currency)* | Currency | Issue interest rate | Issue date | Maturity | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|---|---|---|---|
| 500 | EUR | Fixed 2.75% | 04/08/2014 | 04/08/2024 | – | 500 |
| | | | 05/30/2014 | 04/08/2024 | | |
| | | | 06/26/2014 | 04/08/2024 | | |
| | | | 09/22/2015 | 04/08/2024 | | |
| | | | 11/05/2015 | 04/08/2024 | | |
| 50 | EUR | Fixed 1.6% | 04/16/2015 | 04/16/2035 | 50 | 50 |
| 500 | EUR | Fixed 1.25% | 05/10/2016 | 05/10/2026 | 499 | 499 |
| 300 | EUR | Fixed 1.5% | 04/05/2017 | 04/05/2027 | 299 | 299 |
| 600 | EUR | Fixed 0.75% | 05/13/2020 | 05/13/2028 | 598 | 597 |
| 750 | EUR | Fixed 1.25% | 05/05/2022 | 05/05/2025 | 750 | 749 |
| 750 | EUR | Fixed 1.875% | 05/05/2022 | 05/05/2030 | 746 | 745 |
| 200 | USD | Fixed 3.639% | 05/27/2022 | 05/27/2027 | 193 | 181 |
| 750 | EUR | Fixed 3.25% | 02/27/2023 | 02/27/2029 | 746 | 745 |
| 750 | EUR | Fixed 3.375% | 02/27/2023 | 02/27/2033 | 743 | 742 |
| 750 | EUR | Fixed 3.75% | 09/05/2023 | 09/05/2025 | 749 | 748 |
| 750 | EUR | Fixed 3.625% | 09/05/2023 | 09/05/2027 | 749 | 748 |
| 1,000 | EUR | Fixed 3.625% | 09/05/2023 | 09/05/2031 | 990 | 989 |
| 1,300 | EUR | Fixed 3.875% | 09/05/2023 | 09/05/2035 | 1,287 | 1,286 |
| 400 | GBP | Fixed 5.125% | 11/23/2023 | 11/23/2026 | 481 | 460 |
| 400 | GBP | Fixed 5.00% | 11/23/2023 | 11/23/2032 | 478 | 457 |
| 1,000 | EUR | Fixed 3.375% | 03/11/2024 | 03/11/2032 | 994 | – |
| 750 | EUR | Fixed 3.625% | 03/11/2024 | 03/11/2036 | 745 | – |
| 750 | EUR | Fixed 3.625% | 11/21/2024 | 11/21/2034 | 743 | – |
| TOTAL | | | | | 11,840 | 9,795 |

## 20.5 Other bank borrowings

The Group has €138 million of bank borrowings, which are mainly denominated in Japanese yen (€74 million at December 31, 2024, €90 million at December 31, 2023). They pay interest at floating rates and have terms of less than five years.

## 20.6 Undrawn confirmed lines of credit

As of December 31, 2024, the Group had undrawn confirmed lines of credit totaling €3,800 million (December 31, 2023: €3,185 million). These consisted of a syndicated facility of €3,000 million arranged in July 2024 and due to expire in July 2029, and €800 million in bilateral lines of credit that had a maturity of more than one year at December 31, 2024.

# NOTE 21 – DERIVATIVE INSTRUMENTS AND MANAGEMENT OF MARKET RISKS

## 21.1 Exposure and sensitivity to interest rate risk

| *(in € millions)* | Dec. 31, 2024 | Impact of hedging | After hedging | Impact on income of a 1% change in interest rates |
|---|---|---|---|---|
| Fixed-rate | 12,695 | – | 12,695 | – |
| Floating-rate | 1,340 | – | 1,340 | 13 |
| **Borrowings** | **14,035** | | **14,035** | **13** |

| *(in € millions)* | Dec. 31, 2024 | Impact on income of a 1% change in interest rates |
|---|---|---|
| **Floating-rate investments** | **3,497** | **35** |

## 21.2 Exposure and sensitivity to foreign exchange risk

As of December 31, 2024, a significant proportion of the Group's revenue comes from countries where the euro, its reporting currency, is not the functional currency. Purchases and other expenses related to production are primarily denominated in euros. Net exposure to foreign exchange risks relates mainly to currencies in which sales are denominated, i.e. the US dollar and Asian currencies such as the Japanese yen and Chinese yuan.

Monetary assets (receivables and loans, bank balances, investments and cash equivalents with a maturity of less than three months at the time of acquisition) and monetary liabilities (borrowings and debt, operational liabilities and other current liabilities) are mostly denominated in subsidiaries' functional currencies. They do not generate any currency effects. However, monetary items that are not denominated in subsidiaries' functional currencies are subject to currency hedging.

The Group has adopted a foreign exchange risk hedging policy that covers all of its net currency exposure on its balance sheet. Future cash flows from assets and liabilities are also hedged over a time frame of 12-18 months where they are highly probable.

The Group uses derivative hedging instruments to minimize and anticipate the impact of currency fluctuations on its earnings. These hedges are set up using forward exchange-rate agreements and/or exchange-rate options eligible for hedge accounting.

The outstanding notional amounts of those hedging derivatives are as follows:

| | Dec. 31, 2024 Notional amount[1] | | Market value[2] | | | |
|---|---|---|---|---|---|---|
| *(in € millions)* | Less than one year | More than one year | Cash flow hedges | Fair value hedges | Unallocated | Total |
| **Tunnels** | **431** | **–** | **(1)** | **–** | **–** | **(1)** |
| CNY seller | 176 | – | – | – | – | – |
| USD seller | 148 | – | (1) | – | – | (1) |
| JPY seller | 107 | – | – | – | – | – |
| **Forwards** | **3,267** | **7** | **(43)** | **–** | **(1)** | **(44)** |
| USD | 1,070 | – | (35) | – | – | (35) |
| CNY | 700 | – | (10) | (1) | – | (11) |
| JPY | 351 | – | 3 | 1 | – | 4 |
| KRW | 308 | – | 13 | – | – | 13 |
| GBP | 185 | – | (4) | – | – | (4) |
| HKD | 165 | – | (7) | – | – | (7) |
| TWD | 108 | – | – | – | – | – |
| Other | 380 | 7 | (3) | – | (1) | (4) |
| **Cross-currency swaps[3]** | **2,221** | **–** | **–** | **(1)** | **(15)** | **(16)** |
| USD | 1,332 | – | – | – | (13) | (13) |
| GBP | 194 | – | – | – | (1) | (1) |
| JPY | 132 | – | – | – | – | – |
| HKD | 123 | – | – | – | (2) | (2) |
| Other | 440 | – | – | (1) | 1 | – |
| TOTAL | 5,919 | 7 | (44) | (1) | (16) | (61) |

(1) Sale/(purchase).
(2) Gain/(loss).
(3) Excluding cross-currency swaps hedging debt (€1,157 million).

The table below shows net exposure on the balance sheet to the main currencies as of December 31, 2024. The amounts shown are converted into euros at the closing exchange rate.

| | as of Dec. 31, 2024 | as of Dec. 31, 2023 |
|---|---|---|
| *(in € millions)* | Net exposure after hedging | Net exposure after hedging |
| USD | 1,526 | 1,139 |
| CNY | 287 | 751 |
| JPY | 60 | 177 |
| GBP | (712) | (922) |

## Analysis of sensitivity to foreign exchange risk

Based on market data as of December 31, 2024, a 10% increase or decrease in the euro exchange rate against the principal currencies to which the Group is exposed (USD, JPY, CNY and GBP) was taken into account in the sensitivity analysis. All other market variables are deemed be constant when calculating sensitivity.

The impact on equity, recognized in the "Remeasurement of financial instruments" item, results from foreign exchange instruments eligible for cash flow hedge accounting. The impact on the income statement, recognized under "Financial result", relates to foreign exchange instruments that are not eligible for hedge accounting and to the change in the ineffective portion of cash flow hedges.

A 10% change in the exchange rates of the main exposure currencies relative to the euro would not have a material impact on the income statement because almost all net foreign currency exposures on the balance sheet are hedged and because the ineffective portion of cash flow hedges is not material.

The impact (excluding tax effects) of a 10% change in exchange rates on equity would be as follows:

| Dec. 31, 2024 | Impact on equity | |
|---|---|---|
| *(in € millions)* | 10% increase | 10% decrease |
| USD | 96 | (120) |
| CNY | 64 | (80) |
| JPY | 35 | (42) |
| GBP | 14 | (17) |

| Dec. 31, 2023 | Impact on equity | |
|---|---|---|
| *(in € millions)* | 10% increase | 10% decrease |
| USD | 134 | (164) |
| CNY | 102 | (109) |
| JPY | 37 | (43) |
| GBP | 24 | (29) |

## 21.3 Exposure to the risk of fluctuations in share prices

After the sale of PUMA shares in 2024, the Group is no longer exposed to the risk of fluctuations in share prices.

Shares held as non-consolidated investments represent a limited exposure for the Group and are not hedged.

## 21.4 Exposure to the risk of fluctuations in precious metals prices

The Group may be exposed to changes in the prices of certain precious metals as part of its Houses' activities, particularly in jewelry. As a result, hedging may be arranged, particularly through derivative financial instruments to secure production costs or through price negotiations with refiners or producers of semi-finished products.

As of December 31, 2024, hedging transactions with a remaining maturity of less than one year are treated as forward purchases with a notional amount of €9 million and a non-material market value (notional amount of €6 million as of December 31, 2023).

The Group's view is that a 1% change in these precious metals prices would have no impact as of the balance sheet date.

## 21.5 Exposure to counterparty risk

The Group's derivatives transactions are carried out in accordance with internal control procedures for over-the-counter transactions, with top-tier counterparties that have signed FBF or ISDA agreements. The impact of counterparty risk on the fair value of derivatives, as recommended by IFRS 13, was regarded as non-material as of December 31, 2024.

## 21.6 Measurement of derivative instruments

| *(in € millions)* | Dec. 31, 2024 | Interest rate risk | Foreign exchange risk | Other market risks | Dec. 31, 2023 |
|---|---|---|---|---|---|
| **Non-current financial assets** | **18** | **–** | **18** | **–** | **3** |
| Derivative instruments - at fair value through income statement | – | – | – | – | – |
| Derivative instruments - cash flow hedges | 18 | – | 18 | – | 3 |
| Derivative instruments - fair value hedges | – | – | – | – | – |
| **Current financial assets** | **35** | **–** | **35** | **–** | **122** |
| Derivative instruments - at fair value through income statement | 5 | – | 5 | – | 17 |
| Derivative instruments - cash flow hedges | 24 | – | 24 | – | 95 |
| Derivative instruments - fair value hedges | 6 | – | 6 | – | 10 |
| **Non-current financial liabilities** | **(13)** | **–** | **(5)** | **(8)** | **(13)** |
| Derivative instruments - at fair value through income statement [1] | (8) | – | – | (8) | – |
| Derivative instruments - cash flow hedges | (5) | – | (5) | – | (13) |
| Derivative instruments - fair value hedges | – | – | – | – | – |
| **Current financial liabilities** | **(96)** | **–** | **(96)** | **–** | **(33)** |
| Derivative instruments - at fair value through income statement | (21) | – | (21) | – | (8) |
| Derivative instruments - cash flow hedges | (68) | – | (68) | – | (21) |
| Derivative instruments - fair value hedges | (7) | – | (7) | – | (4) |
| TOTAL | (56) | – | (48) | (8) | 79 |

[1] Liabilities related to derivative instruments recognized at fair value through the income statement include €8 million related to the Collective Virtual Purchase Agreement (CVPPA). That derivative is measured using an internally developed level-3 model, and includes energy certificates.
On May 5, 2024, Kering amended the CVPPA of October 12, 2023 initially formed with Caletona Servicios y Gestiones. The new CVPPA, which is an agreement to purchase renewable energy without physical delivery, was formed with a new solar photovoltaic farm operated by Castellana Power S.L.U, which operates in Spain. Energy certificates arising from renewable energy production – under the European Energy Certificate System (EECS®) – will be transferred to the Kering group as the agreement is performed.
The agreement is for a 10-year term starting on the commercial operation date, which is likely to be July 1, 2026.

## 21.7 Liquidity risk

Liquidity risk management for the Group and each of its subsidiaries is closely monitored and periodically assessed within the scope of the Group's financial reporting procedures.

In order to guarantee its liquidity, as of December 31, 2024, the Group held confirmed undrawn lines of credit totaling €3,800 million and available cash of €3,518 million (see Note 20.1).

| | Dec. 31, 2024 | | | | |
|---|---|---|---|---|---|
| *(in € millions)* | Carrying amount | Cash flow | Less than one year | One to five years | More than five years |
| **Non-derivative financial instruments** | **16,133** | **(18,572)** | **(5,784)** | **(4,927)** | **(7,861)** |
| Bonds | 11,840 | (11,907) | (1,500) | (3,575) | (6,832) |
| Commercial paper | 854 | (856) | (856) | – | – |
| Other borrowings | 1,341 | (1,169) | (955) | (180) | (34) |
| Future interest on financial liabilities | N/A | (2,542) | (375) | (1,172) | (995) |
| Trade payables and accrued expenses | 2,098 | (2,098) | (2,098) | – | – |
| **Derivative financial instruments** | **48** | **41** | **(62)** | **61** | **42** |
| **Interest rate risk** | **–** | **–** | **–** | **–** | **–** |
| *Interest rate swaps* | – | – | – | – | – |
| *Other interest rate derivatives* | – | – | – | – | – |
| **Foreign exchange risk** | **48** | **41** | **(62)** | **61** | **42** |
| *Currency forwards and currency swaps* | – | *(78)* | *(77)* | *(1)* | – |
| *Outflows* | – | *(5,504)* | *(5,503)* | *(1)* | – |
| *Inflows* | – | *5,426* | *5,426* | – | – |
| *Other foreign currency derivatives* | – | *119* | *15* | *62* | *42* |
| *Outflows* | – | *(1,458)* | *(200)* | *(745)* | *(513)* |
| *Inflows* | – | *1,577* | *215* | *807* | *555* |
| **Other market risks** | **–** | **–** | **–** | **–** | **–** |
| *Precious metals hedges* | – | – | – | – | – |
| TOTAL | 16,181 | (18,531) | (5,846) | (4,866) | (7,819) |

| | Dec. 31, 2023 | | | | |
|---|---|---|---|---|---|
| *(in € millions)* | Carrying amount | Cash flow | Less than one year | One to five years | More than five years |
| **Non-derivative financial instruments** | **14,626** | **(16,515)** | **(4,772)** | **(5,886)** | **(5,857)** |
| Bonds | 9,795 | (9,851) | (500) | (4,291) | (5,060) |
| Commercial paper | 1,277 | (1,282) | (1,282) | – | – |
| Other borrowings | 1,354 | (1,222) | (492) | (672) | (59) |
| Future interest on financial liabilities | N/A | (1,960) | (298) | (923) | (738) |
| Trade payables and accrued expenses | 2,200 | (2,200) | (2,200) | – | – |
| **Derivative financial instruments** | **(79)** | **155** | **104** | **31** | **20** |
| **Interest rate risk** | **–** | **–** | **–** | **–** | **–** |
| *Interest rate swaps* | – | – | – | – | – |
| *Other interest rate derivatives* | – | – | – | – | – |
| **Foreign exchange risk** | **(79)** | **155** | **104** | **31** | **20** |
| *Currency forwards and currency swaps* | – | *89* | *89* | – | – |
| *Outflows* | – | *(6,391)* | *(6,391)* | – | – |
| *Inflows* | – | *6,480* | *6,480* | – | – |
| *Other foreign currency derivatives* | – | *66* | *15* | *31* | *20* |
| *Outflows* | – | *(1,503)* | *(205)* | *(766)* | *(532)* |
| *Inflows* | – | *1,569* | *220* | *797* | *552* |
| **Other market risks** | **–** | **–** | **–** | **–** | **–** |
| *Precious metals hedges* | – | – | – | – | – |
| TOTAL | 14,547 | (16,360) | (4,668) | (5,855) | (5,837) |

# NOTE 22 – FINANCIAL LIABILITIES

## 22.1 Breakdown of financial liabilities

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Derivative instruments | 13 | 13 |
| **Non-current financial liabilities** | **13** | **13** |
| Derivative instruments | 96 | 33 |
| Kering SA interim dividend | 245 | 552 |
| Other | 1 | 3 |
| **Current financial liabilities** | **343** | **588** |

## 22.2 Financial liabilities measured at fair value

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Derivative Instruments | 96 | 33 |
| **Financial liabilities measured at fair value** | **96** | **33** |

Derivative financial instruments are measured using valuation techniques based on observable market parameters (including forward prices and yield curves) and commonly used models (level 2 fair value).

# NOTE 23 – PROVISIONS FOR PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

## 23.1 Description of the main pension plans and other post-employment benefits

Depending on each country's laws and customs, the Group's employee receive long-term or post-employment benefits in addition to their short-term remuneration. These additional benefits take the form of defined contribution or defined benefit plans.

Under defined contribution plans, the Group is not obliged to make any additional payments beyond contributions already made. Contributions to these plans are expensed as incurred.

An actuarial valuation of defined benefit plans is carried out by independent experts. These benefits primarily concern mandatory supplementary pension plans in Switzerland, statutory severance pay in Italy, and retirement termination payments and long-service bonuses in France.

### Mandatory supplementary pension plans (LPP) – Switzerland

In Switzerland, pension plans are defined contribution plans that guarantee a minimum interest rate credited to pension assets and provide for a fixed salary conversion rate on retirement. However, the pension plans operated by the Group's entities in Switzerland offer benefits over and above those mentioned in the LPP/BVG pension act. Consequently, a provision is booked in respect of defined benefit plans for the amounts that exceed LPP/BVG pension act requirements.

These pension plans are generally operated as separate legal entities in the form of a foundation, which may be a collective institution or affiliated to a specific plan. The Board of Trustees of these foundations, comprising an equal number of employer and employee representatives, is responsible for administering the plan and bears the investment and longevity risks. Collective foundations insure some of their risk with an insurance company.

### Statutory severance pay (TFR) – Italy

The TFR (Trattamento di Fine Rapporto) plans in Italy were created by Italian act No 297, adopted on May 29, 1982, and are applicable to all workers in the private sector on the termination of their employment for any reason (resignation, termination at the employer's initiative, death, incapacity or retirement). Since 2007, companies with at least 50 employees have had to transfer their TFR funding to an external fund manager. This concerns the large majority of plans operated by Kering group companies.

### Retirement termination payments and long-service bonuses – France

In France, retirement termination benefits are fixed and paid by companies to their employees on retirement. The amount paid depends on the number of years of service on retirement, and is defined in the relevant collective bargaining agreement. The payments do not confer any vested entitlement to employees until they reach retirement age. Retirement termination benefits are not related to other statutory retirement benefits such as pensions paid by social security bodies or top-up pension funds such as ARRCO and AGIRC in France, which are defined contribution plans.

Long-service bonuses are not compulsory in France – i.e. there is no legal obligation to pay these awards to employees – but they hold symbolic value. Nevertheless, some of Kering's French entities choose to pay long-service bonuses after 20, 30, 35 and 40 years of service.

## 23.2 Provisions for pensions and other long-term benefits

Provisions on the balance sheet include provisions for defined-benefit post-employment plans and other long-term benefits:

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| **Non-current provisions** | **85** | **68** |
| **Current provisions** | **13** | **12** |
| PROVISIONS FOR PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS | 98 | 80 |

| | 2024 | | | | | 2023 |
|---|---|---|---|---|---|---|
| | | | | Change during the period | | |
| *(in € millions)* | Present value of benefit obligation | Fair value of plan assets | Provisions for pensions and other post-employment benefits | Gains and losses recognized in equity | Income statement | Provisions for pensions and other post-employment benefits |
| **As of January 1** | **136** | **56** | **80** | **–** | **–** | **78** |
| Current service cost | 10 | – | 10 | – | 10 | 10 |
| Past service cost | – | – | – | – | – | 1 |
| Plan amendments | – | – | – | – | – | – |
| Interest cost on the benefit obligation | 4 | – | 4 | – | 4 | 4 |
| Interest income on plan assets | – | 1 | (1) | – | – | (1) |
| Contributions paid by employees | 2 | 2 | 1 | – | – | – |
| Contributions paid by employer | – | 3 | (3) | – | – | (3) |
| Benefits paid | (14) | (8) | (6) | – | – | (8) |
| Actuarial gains and losses: | 11 | – | 11 | 11 | – | (1) |
| *Changes in demographic assumptions* | *(1)* | – | *(1)* | – | – | *(1)* |
| *Changes in financial assumptions* | *12* | – | *12* | – | – | *(1)* |
| *Experience adjustments* | – | – | – | – | – | – |
| *Return on plan assets (excluding interest)* | – | – | – | – | – | – |
| Insurance contracts | – | – | – | – | – | – |
| Administrative expenses | – | – | – | – | – | – |
| Changes in scope | 1 | – | 1 | – | – | 1 |
| Assets held for sale | – | – | – | – | – | – |
| Foreign exchange differences | (1) | (1) | (1) | – | – | – |
| **As of December 31** | **151** | **53** | **98** | **11** | **15** | **80** |
| Obligation funded by plan assets | 74 | – | – | – | – | – |
| Obligation not funded by plan assets | 77 | – | – | – | – | – |

## 23.3 Actuarial assumptions used to estimate the present value of the benefit obligation

| | France | | Switzerland | | Italy | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Average maturity of plans *(in years)* | 11.4 | 11.2 | 17.3 | 11.4 | 7.8 | 8.2 |
| Discount rate | 3.75% | 4.50% | 1.00% | 2.00% | 3.75% | 4.50% |
| Expected rate of increase in salaries | 2.97% | 2.92% | 1.30% | 1.40% | 3.00% | 3.00% |
| Inflation rate | 2.00% | 2.00% | 1.10% | 1.30% | 2.00% | 2.00% |

Sensitivity tests on actuarial assumptions show that the impact of a 50 basis-point increase or decrease in the discount rate would not be material and would represent less than 0.06% of consolidated equity as of December 31, 2024.

## 23.4 Breakdown of the present value of the benefit obligation by country

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Switzerland | 71 | 68 |
| Italy | 41 | 35 |
| France | 27 | 22 |
| Other | 13 | 11 |
| **Present value of benefit obligation** | **151** | **136** |

## 23.5 Fair value of plan assets by type of financial instrument

| *(in € millions)* | Dec. 31, 2024 | % | Dec. 31, 2023 | % |
|---|---|---|---|---|
| Debt instruments | 11 | 21% | 11 | 20% |
| Equity instruments | 23 | 43% | 22 | 39% |
| Real estate | 11 | 21% | 13 | 23% |
| Insurance contracts | – | 0% | – | 0% |
| Derivative instruments | – | 0% | 4 | 7% |
| Cash and cash equivalents | 1 | 3% | 2 | 4% |
| Other assets | 7 | 13% | 3 | 6% |
| **Fair value of plan assets** | **53** | **100%** | **56** | **100%** |

The Group plans to contribute €3 million to plans covered by financial assets in 2025.

# NOTE 24 – PROVISIONS AND CONTINGENT LIABILITIES

| *(in € millions)* | Dec. 31, 2023 | Charge | Reversals (utilized provisions) | Reversals (surplus provisions) | Changes in scope | Foreign exchange differences | Other movements | Dec. 31, 2024 |
|---|---|---|---|---|---|---|---|---|
| Non-current provisions | 21 | 11 | (4) | – | – | – | 23 | 51 |
| Current provisions | 163 | 108 | (72) | (7) | – | 1 | (2) | 191 |
| TOTAL | 184 | 120 | (76) | (7) | – | 1 | 21 | 242 |

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Provision for restructuring costs | 70 | 64 |
| Vendor warranties | 23 | 23 |
| Disputes and other contingencies | 149 | 97 |
| TOTAL | 242 | 184 |

## Litigation and disputes

Group companies are involved in a number of lawsuits or disputes arising in the normal course of business. According to their management and legal counsel, no disputes currently in progress are likely to have a material impact on the Group's normal and foreseeable operations or on its planned development.

The Group believes there are no known disputes likely to have a material impact on its net assets, earnings or financial position that are not adequately covered by provisions recorded as of the end of the reporting period. No individual claim against the parent company or against any of its subsidiaries is material with respect to the parent company or the Group.

The Group is not aware of any arbitration proceedings that have had in the recent past, or are likely to have in the future, a material impact on the financial position, activity or earnings of the Company or Group.

## Vendor warranties

Provisions recorded in respect of vendor warranties were unchanged in 2024.

## Contingent liabilities

The European Commission's investigation into the fashion sector, about which the Company issued a press release on April 19, 2023, is ongoing. The Company continues to cooperate with the Commission and is monitoring the progress of this procedure to assess any potential impact on the Group at the conclusion of the investigations.

To the best of the Group's knowledge, there are no other material contingent liabilities.

# NOTES ON THE CONSOLIDATED STATEMENT OF CASH FLOWS

## NOTE 25 – CASH AND CASH EQUIVALENTS AS REPORTED IN THE STATEMENT OF CASH FLOWS

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| **Cash and Cash equivalents as reported in the balance sheet** | **3,518** | **3,922** |
| Bank overdrafts | (209) | (272) |
| **Cash and Cash equivalents as reported in the statement of cash flows** | **3,309** | **3,650** |

## NOTE 26 – CASH FLOW RECEIVED FROM OPERATING ACTIVITIES

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| **Net income from continuing operations** | **1,227** | **3,074** |
| Net recurring charges to depreciation, amortization and provisions on non-current operating assets | 2,113 | 1,823 |
| Other non-cash income and expenses | 57 | 94 |
| Non-cash recurring operating income and expenses: | (133) | (307) |
| *Fair value of operating foreign exchange rate hedges* | *(73)* | *(247)* |
| *Other* | *(60)* | *(60)* |
| Other non-cash income and expenses | 190 | 401 |
| *Impairment of goodwill, brands and other non-current assets* | *111* | *70* |
| *Fair value of foreign exchange rate hedges in financial result* | *42* | *228* |
| *Deferred tax expense (income)* | *(65)* | *156* |
| *Share in earnings (losses) of equity-accounted companies* | *10* | *(4)* |
| *Other* | *92* | *(49)* |
| **Cash flow received from operating activities** | **3,397** | **4,991** |

## NOTE 27 – CHANGE IN WORKING CAPITAL REQUIREMENT

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Change in Inventories | 568 | (102) |
| Change in trade receivables and accrued income | 165 | 24 |
| Change in trade payables and accrued expenses | (113) | (126) |
| Change in other operating receivables and payables | 48 | (192) |
| **Change in working capital requirement** | **667** | **(396)** |

# NOTE 28 – ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Acquisitions of property, plant and equipment[1] | (3,037) | (2,607) |
| Acquisitions of intangible assets | (303) | (311) |
| Change in amounts due in respect of non-current assets | 42 | 324 |
| Lease set-up costs | (12) | (18) |
| **Acquisitions of property, plant and equipment and intangible assets** | **(3,309)** | **(2,611)** |

(1) In 2024, Acquisitions of property, plant and equipment mainly correspond to acquisitions of strategic real estate assets in Milan and New York (see Note 1). In 2023, Acquisitions of property, plant and equipment mainly correspond to acquisitions of prestigious real estate assets in Paris.

# NOTE 29 – FINANCING ACTIVITIES AND CHANGE IN BORROWINGS

| | Borrowings | | | | | |
|---|---|---|---|---|---|---|
| *(in € millions)* | Current | Non-current | Lease liabilities | Other assets and liabilities | Equity | Total |
| **As of January 1, 2024** | **2,400** | **10,026** | **–** | **–** | **–** | **12,426** |
| Dividends paid to shareholders of Kering SA | – | – | – | – | (1,716) | (1,716) |
| Dividends paid to minority interests in consolidated subsidiaries | – | – | – | – | (24) | (24) |
| Transactions with minority interests | – | – | – | – | (73) | (73) |
| (Acquisitions) disposals of Kering treasury shares | – | – | – | – | 2 | 2 |
| Issuance of bonds and bank debt | – | 2,493 | – | – | – | 2,493 |
| Redemption of bonds and bank debt | (525) | – | – | – | – | (525) |
| Issuance (redemption) of other borrowings | (394) | – | – | – | – | (394) |
| Repayment of lease liabilities | – | – | (1,049) | – | – | (1,049) |
| Interest paid and equivalent | (345) | – | (205) | (60) | – | (610) |
| **Net cash received from (used in) financing activities** | **(1,264)** | **2,493** | **(1,253)** | **(60)** | **(1,811)** | **(1,896)** |
| Changes in scope | – | – | – | – | – | – |
| Foreign exchange differences | (2) | 53 | – | – | – | – |
| Changes in put options granted to minority interests | 6 | 35 | – | – | – | – |
| Other movements | 2,339 | (2,051) | – | – | – | – |
| **As of December 31, 2024** | **3,479** | **10,556** | **–** | **–** | **–** | **14,035** |

| (in € millions) | Borrowings Current | Borrowings Non-current | Lease liabilities | Other assets and liabilities | Equity | Total |
|---|---|---|---|---|---|---|
| **As of January 1, 2023** | **2,295** | **4,347** | **–** | **–** | **–** | **6,642** |
| Kering SA capital increase | – | – | – | – | (1,712) | (1,712) |
| Dividends paid to shareholders of Kering SA | – | – | – | – | – | – |
| Dividends paid to minority interests in consolidated subsidiaries | – | – | – | – | (42) | (42) |
| Transactions with minority interests | – | – | – | – | (24) | (24) |
| (Acquisitions) disposals of Kering treasury shares | – | – | – | – | (10) | (10) |
| Issuance of bonds and bank debt | – | 6,205 | – | – | – | 6,205 |
| Redemption of bonds and bank debt | (957) | – | – | – | – | (957) |
| Issuance (redemption) of other borrowings | 174 | – | – | – | – | 174 |
| Repayment of lease liabilities | – | – | (880) | – | – | (880) |
| Interest paid and equivalent | (98) | – | (151) | (128) | – | (377) |
| **Net cash received from (used in) financing activities** | **(882)** | **6,205** | **(1,030)** | **(128)** | **(1,788)** | **2,377** |
| Changes in scope | 258 | – | – | – | – | – |
| Foreign exchange differences | (22) | (5) | – | – | – | – |
| Changes in put options granted to minority interests | 54 | 4 | – | – | – | – |
| Other movements | 697 | (525) | – | – | – | – |
| **As of December 31, 2023** | **2,400** | **10,026** | **–** | **–** | **–** | **–** |

# OTHER DISCLOSURES

## NOTE 30 – OFF-BALANCE SHEET COMMITMENTS

### 30.1 Main vendor warranties granted in connection with asset disposals

In relation to the disposal of certain businesses, the Group has granted customary vendor warranties in respect of certain fundamental representations, along with some specific capped and time-limited warranties. Provisions have been set aside in respect of some vendor warranties (see Note 24).

### 30.2 Off-balance sheet commitments relating to leases

| (in € millions) | Payments due by period Less than one year | One to five years | More than five years | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|---|---|---|
| Leases signed but effective post-closing | 68 | 273 | 410 | 751 | 861 |
| Short-term leases | 21 | 6 | – | 27 | 14 |
| Leases with a low-value underlying asset | 12 | 32 | 1 | 45 | 7 |
| **Lease commitments given** | **101** | **311** | **411** | **823** | **882** |

## 30.3 Other commitments given and received in the course of the Group's operations

Other commitments given and received in the course of the Group's operations can be analyzed as follows:

| | Payments due by period | | | | |
|---|---|---|---|---|---|
| *(in € millions)* | Less than one year | One to five years | More than five years | Dec. 31, 2024 | Dec. 31, 2023 |
| Binding purchase commitments | 247 | 90 | - | 337 | 126 |
| Customs deposits and other guarantees in respect of operations | 74 | 104 | 47 | 225 | 198 |
| **Other commitments given** | **321** | **194** | **47** | **562** | **325** |
| **Other commitments received** | **46** | **4** | **1** | **51** | **44** |

As part of its strategy of making a positive contribution to climate change mitigation, on February 16, 2023 Kering undertook to invest up to €100 million in a carbon fund managed by Natixis subsidiary Mirova.

The commitment given by the Kering group as of December 31, 2024 amounted to €77.5 million.

## 30.4 Other commitments given

In relation to the purchase of a stake in Valentino (see Note 15), the commitment to acquire the remaining 70% was estimated at around €4 billion as of the accounts closing date.

# NOTE 31 – TRANSACTIONS WITH RELATED PARTIES

## 31.1 Related party controlling the Group

Kering SA is controlled by Artémis, which in turn is wholly owned by Financière Pinault.

| | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| % capital held by the Artémis group in Kering SA | 42.3% | 42.2% |
| % of voting rights held by the Artémis group in Kering SA | 59.3% | 59.3% |
| Dividend paid for Year Y-1 *(in € millions)* | 731 | 730 |
| Interim dividend paid for Year Y *(in € millions)* | 105 | 234 |
| Fees for the period *(in € millions)* | 6 | 7 |

The Group pays fees to Artémis for (i) business development consulting services and complex transaction support, and (ii) the supply of development opportunities, new business and cost reduction solutions. These fees are governed by an agreement reviewed by the Audit Committee and approved by the Board of Directors.

## 31.2 Remuneration paid to members of the Board of Directors and the Group's Executive Committee

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Wages and salaries | 31 | 42 |
| Payroll taxes | 7 | 8 |
| Termination indemnities | 20 | 8 |
| **Short-term remuneration** | **58** | **58** |
| Post-employment benefits | 1 | 1 |
| Other long-term benefits | (17) | 20 |
| Share-based payment | 7 | 19 |
| **Long-term remuneration** | **(10)** | **39** |
| TOTAL | 48 | 97 |

Short-term remuneration corresponds to amounts paid during the year, whereas long-term remuneration corresponds to amounts recognized in the period.

# NOTE 32 – STATUTORY AUDITORS' REMUNERATION

| **Fees for fiscal year 2024** | **PwC** [1] | | **Deloitte** [2] | | **Total** | |
|---|---|---|---|---|---|---|
| *(in € millions, excluding tax and disbursements)* | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** |
| Kering SA | 0.7 | 0.7 | 1.0 | 0.9 | 1.7 | 1.6 |
| Fully-consolidated subsidiaries | 5.0 | 4.7 | 4.3 | 4.2 | 9.3 | 8.9 |
| **Statutory audit** | **5.7** | **5.4** | **5.3** | **5.1** | **11.0** | **10.5** |
| **Sustainability report audit** | **0.4** | **—** | **0.4** | **—** | **0.8** | **—** |
| Kering SA[3] | 0.1 | 0.1 | 0.1 | 0.6 | 0.2 | 0.7 |
| Fully-consolidated subsidiaries | 2.4 | 3.7 | 0.4 | 0.4 | 2.8 | 4.1 |
| **Non-audit services** | **2.5** | **3.8** | **0.5** | **1.0** | **3.0** | **4.8** |
| TOTAL | 8.6 | 9.2 | 6.2 | 6.1 | 14.8 | 15.3 |

(1) Of which PwC network: €3.8 million in 2024 with respect to statutory audit services and €2.4 million with respect to non-audit services. (In 2023: €3.8 million with respect to statutory audit services and €3.7 million with respect to non-audit services).

(2) Of which Deloitte network: €3.9 million in 2024 with respect to statutory audit services and €0.4 million with respect to non-audit services. (In 2023: €3.7 million with respect to statutory audit services and €0.4 million with respect to non-audit services).

(3) The non-audit services provided by PwC to Kering SA and its fully-consolidated subsidiaries are mainly related to comfort letters. The non-audit services rendered by Deloitte & Associes to Kering SA and its fully-consolidated subsidiaries are mainly related to comfort letters and the verification of the consolidated non-financial performance statement.

# NOTE 33 – ACCOUNTING POLICIES AND METHODS

## 33.1 Basis of preparation of the consolidated financial statements

### 33.1.1 Changes to the IFRS basis

**Standards, amendments and interpretations endorsed by the European Union and applicable as of January 1, 2024**

The standards, amendments and interpretations mandatorily applicable from January 1, 2024 are listed below:

- Amendments to IAS 1 "Presentation of Financial Statements":
  - classifying liabilities as current or non-current,
  - delayed effective date,
  - non-current liabilities with covenants;
- Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures": supplier finance arrangements;
- Amendment to IFRS 16 "Leases": lease liability in a sale and leaseback.

After analyzing the texts in force on January 1, 2024, the Group concluded that there would be either no effect or a non-material effect on its consolidated interim financial statements for the year ended December 31, 2024.

**Standards, amendments and interpretations applicable on or after January 1, 2025**

As of the accounts closing date, the Group was in the process of analyzing the impact of standards, amendments and interpretations endorsed by the European Union and applicable on or after January 1, 2025.

- Amendment to IAS 21 "The Effects of Changes in Foreign Exchange Rates": lack of exchangeability.

**Standards, amendments and interpretations published and not yet endorsed by the European Union**

Standards, amendments and interpretations published and not yet endorsed by the European Union are listed below:

- IFRS 18 "Presentation and Disclosure in Financial Statements";
- Improvements to IFRS 9 "Financial Instruments" and to IFRS 7 "Financial Instruments: Disclosures": changes to the classification and measurement of financial instruments;
- Annual improvements – Annual improvements to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7;
- Amendments to IFRS 9 "Financial Instruments" and to IFRS 7 "Financial Instruments: Disclosures": contracts referencing nature-dependent electricity.

As of the accounts closing date, the Group was in the process of analyzing the impact of applicable standards, amendments and interpretations. As regards IFRS 18 in particular, analysis work has begun in order to anticipate any requirement to adjust internal processes for producing financial statements and to plan updates to information systems.

### 33.1.2 Use of estimates and judgment

The preparation of consolidated financial statements requires Group management to make estimates and assumptions that can affect the carrying amounts of certain assets and liabilities, income and expenses, and the disclosures in the accompanying notes. Group management reviews these estimates and assumptions on a regular basis to ensure they are appropriate in view of past experience and the current economic situation. Items in future financial statements may differ from current estimates as a result of changes in current assumptions.

The main estimates made by the Group's management when preparing the consolidated financial statements concern:

- goodwill;
- the useful lives associated with property, plant and equipment and intangible assets;
- contingency provisions and uncertain tax positions;
- inventory impairment provisions;
- Assumptions used to calculate lease right-of-use assets and lease liabilities;
- provisions for pensions and long-term remuneration including share-based payment;
- the recognition of deferred tax assets;
- and certain financial instruments.

In its main estimates and in its risk analysis, the Group has taken into account:

- the impact of commitments and decisions made regarding the reduction of carbon emissions, in particular when carrying out impairment tests;
- the current macroeconomic context and hyperinflation in certain countries, particularly Turkey and Argentina, have no material impact on the Group's consolidated financial statements;
- official inflation rates published to determine the actuarial assumptions used to calculate post-employment benefits and the discount rates used in carrying out impairment tests and devising medium-term plans.

In addition to the use of estimates, Group management uses judgment to determine the appropriate accounting treatment of certain transactions, pending the clarification of certain IFRSs or where prevailing standards do not cover the issue at hand.

### 33.1.3 Climate challenges

#### Reflection of climate challenges in the financial statements

Since 2022, Kering's Sustainable Finance Department has ensured that the Group's financial statements reflect climate issues, that the Group complies with new regulations in this area, and that environmental issues play an integral part in Kering's processes for making decisions, producing estimates and exercising judgment, particularly as regards investments.

In 2022 and 2023, in accordance with the recommendation of the Task Force on Climate-Related Financial Disclosures (TCFD), Kering assessed the financial impact of specific climate risks. In 2024, Kering strengthened its approach by updating its climate and nature-related risks in connection with the double materiality analysis and the ESRS (European Sustainability Reporting Standards) criteria of the CSRD (Corporate Sustainability Reporting Directive).

The work carried out led to the conclusion that these climate and nature issues had no impact on the revenue and margin figures used in carrying out impairment tests. Only the cost of each House's contribution to the Group's carbon-reduction initiatives is included in the trajectories of each CGU or group of CGU, depending on each House's proportion of the Group's total greenhouse gas (GHG) emissions.

In 2024, Kering continued to involve all internal stakeholders and departments concerned (Risk Management, Finance, HR and Legal Departments, representatives of the Houses, etc.) in view of the first-time application of the CSRD as of December 31, 2024.

### 33.1.4 Use of alternative performance indicators

The alternative performance indicators used by the Group and presented in the consolidated financial statements are:

#### Recurring operating income and other non-recurring operating income and expenses

The Group's operating income includes all revenues and expenses directly related to its activities, whether these revenues and expenses are recurring or arise from non-recurring decisions or transactions.

Other non-recurring operating income and expenses consist of items that, by their nature, amount or frequency, could distort the assessment of the Group's operating performance as reflected in its recurring operating income. They include changes in scope, impairment of goodwill and brands and, where material, of property, plant and equipment and intangible assets, capital gains and losses on disposals of non-current assets, restructuring costs and disputes (see Note 7).

"Recurring operating income" is therefore an alternative performance indicator for the Group, defined as the difference between operating income and other non-recurring operating income and expenses. This indicator is intended to facilitate the understanding of the operating performance of the Group and its Houses and can therefore be used as a way to estimate recurring performance. It is presented in a manner that is consistent and stable over the long term in order to ensure the continuity and relevance of financial information (see Note 3).

#### EBITDA

The Group uses EBITDA as an alternative performance indicator to monitor its operating performance. This financial indicator corresponds to recurring operating income plus net charges to depreciation, amortization and provisions on non-current operating assets recognized in recurring operating income (see Note 3).

#### Effective tax rate on recurring income

The effective tax rate on recurring income corresponds to the effective tax rate excluding tax effects relating to other non-recurring operating income and expenses (see Notes 7 and 9).

#### Net debt

Net debt is one of the Group's main financial indicators, and is defined as borrowings less cash and cash equivalents. Lease liabilities are not included in the calculation of this indicator. Borrowings include put options granted to minority interests (see Note 33.21). The cost of net debt corresponds to all financial income and expenses associated with these items, including the impact of derivative instruments used to hedge the fair value of borrowings (see Note 8).

## 33.2 Consolidation principles

The Group's consolidated financial statements include the financial statements of the companies listed in Note 34. They include the financial statements of companies acquired as from the acquisition date and companies sold up until the date of disposal.

Intercompany assets and liabilities as well as transactions between consolidated companies are eliminated. Gains and losses on internal transactions with controlled companies are fully eliminated.

### 33.2.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group exercises control. Control is defined according to three criteria: power over the investee; exposure, or rights, to variable returns from involvement with the investee; and the ability to exert power over the investee to affect the amount of the investor's returns. This definition of control implies that power over an investee can take many forms other than simply holding voting rights.

The existence and effect of potential voting rights are considered when assessing control, if the rights are substantive.

Control generally implies directly or indirectly holding more than 50% of the voting rights but can also exist when a smaller proportion of voting rights is held.

Subsidiaries are consolidated from the effective date of control.

### 33.2.2 Associates

Associates are entities in which the Group exercises a significant influence over the entity's management and financial policy, without exercising control or joint control. Significant influence generally implies holding 20% to 50% of the voting rights.

Associates are accounted for under the equity method. They are initially measured at cost, except when the associates were previously controlled by the Group, in which case they are measured at fair value as of the date control is lost and the impact is recognized in the income statement.

In subsequent periods, the share in profits or losses of the associate attributable to the Group is recognized in "Share in earnings (losses) of equity-accounted companies", and the share in other comprehensive income of associates is carried on a separate line of the statement of comprehensive income. If the Group's share in the losses of an associate equals or exceeds its investment in that associate, the Group no longer recognizes its share of losses, unless it has legal or constructive obligations to make payments on behalf of the associate.

Goodwill related to an associate is included in the carrying amount of the investment, presented separately within "Investments in equity-accounted companies" in the balance sheet.

### 33.2.3 Business combinations

Business combinations, where the Group acquires control of one or more other activities, are recognized using the acquisition method.

Business combinations are recognized and measured in accordance with the provisions of IFRS 3. Accordingly, the consideration transferred is measured at the fair value of the assets transferred, equity interests issued and liabilities incurred by the acquirer at the date of exchange. Identifiable assets and liabilities are generally measured at their fair value on the acquisition date. Costs directly attributable to an acquisition are recognized within other non-recurring operating expenses in the income statement.

Goodwill is recognized to represent the difference between the Group's share of the identified assets and liabilities measured at fair value. If the difference is negative, a gain is immediately recognized in the income statement within other non-recurring operating income.

The Group may choose to measure any minority interests resulting from each business combination at fair value (full goodwill method) or at the proportionate share in the identifiable net assets acquired, which are also generally measured at fair value (partial goodwill method).

Goodwill is determined at the date of control over the acquired entity is obtained and may not be adjusted after the measurement period. No additional goodwill is recognized on any subsequent acquisition of minority interests. Acquisitions and disposals of minority interests are recognized directly in equity attributable to the Group.

The accounting for a business combination must be completed within 12 months of the acquisition date. This applies to the measurement of identifiable assets and liabilities, consideration transferred and minority interests.

## 33.3 Foreign currency translation

### 33.3.1 Functional and presentation currency

Items included in the financial statements of each Group entity are valued using the currency of the primary economic environment in which the entity operates (functional currency). The Group's consolidated financial statements are presented in euros, which serves as its presentation currency.

### 33.3.2 Foreign currency transactions

Transactions denominated in foreign currencies are recognized in the entity's functional currency at the exchange rate prevailing on the transaction date.

Monetary items (assets and liabilities) in foreign currencies are translated at the closing exchange rate at the end of each reporting period. Any foreign exchange gains and losses resulting from this translation or from the settlement of these monetary items are recognized within other financial income and expenses in the income statement.

Non-monetary items in foreign currencies valued at historical cost are translated at the rate prevailing on the transaction date, and non-monetary items in foreign currencies measured at fair value are translated at the rate prevailing on the date the fair value is determined. When a gain or loss on a non-monetary item is recognized directly in equity within other comprehensive income, similar treatment is applied to the foreign exchange component of this gain or loss. Otherwise, the component is recognized in the income statement.

The treatment of currency hedges in the form of derivatives is described in Note 33.17.

### 33.3.3 Currency translation of foreign subsidiaries' financial statements

The income statements and balance sheets of Group entities with a functional currency that differs from the presentation currency are translated into euros as follows:

- items recorded in the balance sheet other than equity are translated at the exchange rate at the end of the reporting period;
- items in the income statement are translated at the average exchange rate for the period, corresponding to an approximate value for the rate at the transaction date in the absence of significant fluctuations;
- translation differences are recognized directly in equity within other comprehensive income as currency translation adjustments.

Goodwill and fair value adjustments arising from a business combination with a foreign activity are recognized in the functional currency of the entity acquired. They are subsequently translated into the Group's presentation currency at the closing exchange rate, and any resulting differences are recognized directly in equity within other comprehensive income as currency translation adjustments.

## 33.4 Operating segments

In accordance with IFRS 8, segment information is reported on the same basis as used internally by the Chairman and Chief Executive Officer and the Group Managing Director – the Group's chief operating decision makers – to allocate resources to segments and assess their performance.

An operating segment is a separate component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker, and for which discrete financial information is available. Each operating segment is monitored separately for internal reporting purposes, according to performance indicators common to all of the Group's segments. The segments presented are operating segments or groups of similar operating segments.

Financial information provided on operating segments is prepared in accordance with the same accounting rules as in the consolidated financial statements.

The performance of each operating segment is measured based on recurring operating income, which is the approach used by the Group's chief operating decision maker.

Recurring charges to depreciation, amortization and provisions on non-current operating assets reflect net charges to depreciation, amortization and provisions on intangible assets, lease right-of-use assets and property, plant and equipment recognized in recurring operating income.

Acquisitions of property, plant and equipment and intangible assets correspond to gross non-current asset purchases, including cash timing differences, as presented in the consolidated cash statement.

The presentation of revenue by region is based on the geographic location of clients.

## 33.5 Revenue

Revenue mainly comprises sales of goods, together with income from associated services and income from royalties and operating licenses.

### 33.5.1 Sales of goods and associated services

Sales of goods, whether they take place through a store network or online (retail activity including e-commerce) or wholesale operations, are recognized when the Group satisfies its performance obligation to its clients, typically upon delivery.

When a customer (particularly in the wholesale and e-commerce businesses) has a contractual right of return or routinely makes returns, a specific provision is set aside. When such returns are not contractual, the provision for returns is estimated based on historical data. Provisions for returns are presented in the balance sheet under liabilities in respect of future refunds. An asset (with an offsetting adjustment corresponding to the cost of sales) representing the right to recover the goods from the client is also recognized.

### 33.5.2 Royalties from operating licenses

Royalties received with respect to operating licenses are recognized in accordance with the contractual obligations specific to each agreement, over time as the performance obligation is satisfied, for example, when calculated based on the value of the underlying sales generated by the licensee under the agreement.

## 33.6 Personnel expenses

Personnel expenses primarily consist of wages, salaries and payroll taxes, expenses relating to pensions and other post-employment benefits under defined benefit plans (see Note 33.22), and expenses related to share-based payments (see Note 33.7). Wages, salaries and payroll taxes include fixed remuneration, variable short-term remuneration, long-term remuneration plans, expenses related to employee profit-sharing and other incentive plans, and any associated payroll taxes. Other personnel expenses include severance paid to individual employees or as part of a restructuring plan, and directors' fees paid to directors of Group entities.

## 33.7 Share-based payment

The Group may operate long-term variable remuneration plans that feature share-based payments. These plans are classified as either cash-settled plans or plans settled in Kering shares:

- cash-settled plans result in the recognition of personnel expenses in the income statement spread over the entitlement vesting period, along with a matching liability in the balance sheet. The fair value of the benefit granted to the beneficiaries is remeasured at the end of each reporting period, taking into account any changes in market-based or internal performance conditions.
- plans settled in Kering shares result in the recognition of personnel expenses in the income statement spread over the entitlement vesting period, and of an offsetting entry in equity attributable to the Group. The fair value of the benefit granted to the beneficiaries is set at the grant date of the plan using the Black-Scholes and Monte Carlo models, which take into account the impacts of any market-based performance conditions from the inception of the plan. The impacts of any internal-based performance conditions are remeasured at the end of each reporting period.

The payroll taxes relating to these long-term variable remuneration plans are also recognized in personnel expenses in the income statement as and when entitlements under the plans vest, with a matching liability in the balance sheet, regardless of whether the plans are settled in cash or in Kering shares. These payroll taxes are remeasured at the end of each reporting period based on the most certain assumptions as regards the outcome of the plans. Payroll taxes relating to plans settled in Kering shares reflect the best estimate of the number of shares to be delivered upon expiry of the plan at the end of each reporting period.

## 33.8 Income taxes

Income tax expense comprises the current and deferred tax expense.

Deferred tax is calculated using the liability method on all temporary differences between the carrying amount recorded in the consolidated balance sheet and the tax value of assets and liabilities, except for goodwill that is not deductible for tax purposes and certain other exceptions. The valuation of deferred tax balances depends on the way in which the Group intends to recover or settle the carrying amount of assets and liabilities, using tax rates that have been enacted or substantively enacted at the closing date.

Deferred tax assets and liabilities are not discounted and are presented separately in the balance sheet within non-current assets and liabilities.

A deferred tax asset is recognized on deductible temporary differences and for tax loss and credit carry-forwards to the extent that their future offset is probable.

A deferred tax liability is recognized on taxable temporary differences relating to investments in subsidiaries and associates unless the Group is able to control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

Uncertain income tax positions are analyzed and reviewed internally in accordance with IAS 12 and IFRIC 23 and are shown on the balance sheet in the "current tax liabilities" line item.

## 33.9 Earnings per share

Earnings per share is calculated by dividing net income attributable to the Group by the weighted average number of ordinary shares outstanding during the period, i.e. without taking account of the weighted average number of Kering treasury shares held by the Group during the period.

Diluted earnings per share equals net income attributable to the Group divided by the weighted average diluted number of shares outstanding during the period, adjusted for the dilutive effect arising from free share grants.

Earnings per share from continuing operations excluding non-recurring items is also calculated by adjusting net income from continuing operations attributable to the Group for the amount of non-recurring items net of tax. Non-recurring items correspond to other non-recurring operating income and expenses in the income statement (see. Note 33.1.4).

## 33.10 Goodwill

Goodwill is determined according to the method indicated in Note 33.2.3.

Goodwill is allocated as of the acquisition date to cash-generating units (CGUs) or groups of CGUs defined by the Group. The CGUs or groups of CGUs to which goodwill has been allocated are tested for impairment each year, or whenever events or circumstances indicate that an impairment loss is likely.

CGUs or groups of CGUs and the related impairment tests are described in Note 33.12.

## 33.11 Brands and other intangible assets

Brands and other intangible assets are recognized at cost less accumulated amortization and impairment.

Brands and intangible assets acquired as part of a business combination, which are controlled by the Group and are separable or arise from contractual or other legal rights, are recognized separately from goodwill.

Brands, which represent the majority of intangible assets within the Group, are intangible assets with indefinite useful lives and are therefore not amortized but are tested as part of the impairment test carried out on CGUs. Where that test indicates an impairment loss, brands are tested separately.

Other intangible assets are amortized over their useful lives and are tested for impairment when there is an indication that an impairment loss has taken place. The usual useful lives are as follows:

- brands: indefinite;
- internal IT developments, software and websites: 1-8 years;
- rights, patents and other intellectual property: 5-20 years (maximum protection period).

The configuration and customization costs of software as part of a SaaS (Software as a Service) arrangement are analyzed and recorded in expenses for the period where they do not meet the criteria for capitalization under IAS 38.

Software developed in-house by the Group and meeting all the relevant criteria is capitalized and amortized on a straight-line basis over its useful life.

Impairment tests are described in Note 33.12.

## 33.12 Cash-generating units and impairment tests

The Group tests the value of its assets at the level of its cash-generating units (CGUs) or groups of CGUs. Impairment tests are performed each year, or whenever events or circumstances indicate that an impairment loss is likely. A CGU is the smallest group of assets, including goodwill, that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or CGUs.

CGUs or groups of CGUs as defined by the Group represent the various brands under which the Group operates (see Note 33.4).

Impairment tests seek to determine whether the recoverable amount of a CGU is less than its net carrying amount. The recoverable amount of a CGU is the higher of its fair value less costs to sell and its value in use. Value in use is determined with respect to future cash flow projections, taking into account the time value of money and the specific risks attributable to the CGU or group of CGUs.

Future cash flow projections are based on medium-term budgets and plans. These plans are drawn up for a period of five years with the exception of certain CGUs or groups of CGUs undergoing strategic repositioning, for which a longer period may be applied (typically ten years).

To calculate value in use, a terminal value equal to the perpetual capitalization of a normative annual cash flow is added to the estimated future cash flows. The perpetual growth rates are appropriate in view of the country mix, since the Impairment recognized in respect of brands and other intangible assets along with property, plant and equipment may be reversed at a later date if there is an indication that the impairment loss no longer exists. Impairment recognized in respect of goodwill may not be reversed.

For 2024, the way in which the Group took into account the macroeconomic situation and climate issues in its impairment tests is described in Notes 33.1.2 and 33.1.3.

## 33.13 Leases

The Group applies IFRS 16 for all of its leases, with the exception of:

- short-term leases, with a lease term of 12 months or less as of the commencement date;
- leases for which the underlying asset is of low value.

Payments under these leases that are not recognized on the balance sheet are recognized as operating expenses on a straight-line basis over the lease term.

Under IFRS 16, for each affected lease, the following items are recognized in the balance sheet as of the commencement date:

- a lease liability, corresponding to the present value of all fixed future payments for the estimated term of the lease. The current and non-current portions of these liabilities are shown separately. Fixed future lease payments include the remeasurement of any payments that depend on an index or a growth rate established in the lease. They may also include the value of any purchase options or estimated penalties for terminating the lease, where the Group is reasonably certain to exercise these options. In addition, any lease incentives receivable as of the commencement date are deducted from fixed payments;
- a lease right-of-use asset, corresponding to the value of the lease liability less any incentives received from the lessor and plus any prepaid lease payments, initial direct costs and the estimated cost of restoring the asset where required by the terms and conditions of the lease.

After the start of the lease, the liability related to future lease payments is reduced by the amount of payments made with respect to lease payments, and increased by the amount of interest. The liability may be remeasured to reflect a new assessment of, or change in, future lease payments. The right-of-use asset, initially measured at cost including the lessee's direct costs and prepayments, minus lease incentives (rent-free periods) and restoration costs, is depreciated on a straight-line basis over the lease term as defined in accordance with IFRS 16.

IFRS 16 provides that the discount rate for each lease is determined with reference to the incremental borrowing rate, which corresponds to the rate of interest that the Group would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the lease right-of-use asset in a similar economic environment.

The incremental borrowing rates applied by the Group are based on a combination of risk-free interest rate curves per currency/country, euro/foreign currency swap points, and the Group's credit spread, also accounting for the nature of the underlying (real estate) asset.

An "industry" beta, which varies according to the lessee's operating segment, is added to these inputs to reflect the specific risk of each activity.

The rate curves take into account the average lease term and are prepared on a quarterly basis.

Lease rights are a separate component of right-of-use assets and are depreciated over the term of the underlying leases, less any residual value. This residual value is tested for impairment each year and an impairment loss is recognized where necessary.

The Group recognizes deferred tax in relation to the right-of-use asset and lease liability.

## 33.14 Property, plant and equipment

Property, plant and equipment are recognized at amortized historical cost less any impairment losses, with the exception of land, which is not depreciated. They are not revalued.

The various components of property, plant and equipment are recognized separately when their estimated useful life and therefore their depreciation periods are significantly different. The cost of property, plant and equipment includes the expenses that are directly attributable to its acquisition.

Depreciation is calculated using the straight-line method, based on the purchase price or production cost, less any residual value, which is reviewed annually if considered material.

The usual useful lives are as follows:

- buildings: 10-100 years;
- improvements and fixtures: 3-15 years;
- improvements to leased assets: 3-10 years (limited to the lease term defined in accordance with IFRS 16);
- plant and equipment: 3-20 years;
- other property, plant and equipment: 2-7 years.

Property, plant and equipment are tested for impairment when an indication of impairment exists, such as a scheduled closure of a store or site, a redundancy plan or a downward revision of market forecasts. When an asset's recoverable amount is less than its net carrying amount, an impairment loss is recognized. Where the recoverable amount of an individual asset cannot be determined precisely, the Group determines the recoverable amount of the CGU or group of CGUs to which the asset belongs.

When an item of property, plant and equipment is sold, the disposal gain or loss resulting from the difference between the selling price and the carrying amount of the assets sold is recognized in the income statement.

## 33.15 Financial assets

The classification of financial assets determines their accounting treatment and basis of measurement. There are three categories of financial assets:

- financial assets measured at amortized cost;
- financial assets measured at fair value through the income statement (profit or loss);
- financial assets measured at fair value in equity through other comprehensive income.

The Group determines the classification of its financial assets upon initial recognition, based on their characteristics and the management objective behind the asset's purchase. Purchases and sales of financial assets are recognized on the transaction date, which is the date the Group is committed to the purchase or sale of the asset. A financial asset is derecognized if the contractual rights to the cash flows from the financial asset expire or the asset is transferred.

### 33.15.1 Financial assets measured at amortized cost

Financial assets are carried at amortized cost if they are held as part of a business model whose objective is to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category includes loans and receivables, deposits and guarantees, trade receivables and most other current and non-current receivables.

These financial assets are initially recognized at fair value and subsequently at amortized cost using the effective interest method.

The effective interest rate is determined for each transaction and corresponds to the rate that would provide the net carrying amount of the financial asset by discounting its estimated future cash flows until maturity. The calculation includes transaction costs and any premiums and/or discounts. Transaction costs correspond to the costs directly attributable to the acquisition or issue of a financial asset. Net gains and losses on loans and receivables relate to interest income and impairment allowances.

Impairment allowances are recognized in the income statement based on the expected loss model:

- for its trade receivables, the Group applies a provision matrix for each country/brand based on historical loss data. Credit insurance that may be taken out by the Group is taken into account in the measurement of the risk and therefore of the provision;
- for other financial assets measured at amortized cost, an analysis is carried out taking into account the probability of counterparty default.

### 33.15.2 Financial assets measured at fair value through the income statement

Financial assets measured at fair value through the income statement mostly comprise financial assets giving rise to contractual cash flows that are not solely payments of principal and interest on the principal amount outstanding.

This category includes:

- non-consolidated investments and other financial investments, unless the Group has chosen to carry specific investments at fair value under the fair value option, in which case they are recognized directly in equity through other comprehensive income;
- financial assets held by the Group for trading purposes that the Group intends to resell in the near future and that are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking;
- assets designated as at fair value under the fair value option.

Changes in the fair value of these assets are taken to the income statement. Net gains or losses arising on financial assets measured at fair value through the income statement generally correspond to interest income, dividends, changes in the fair value of the assets (unrealized gains or losses) and capital gains or losses on disposals (realized gains or losses).

### 33.15.3 Financial assets measured at fair value in equity through other comprehensive income

Financial assets are carried at fair value directly in equity through other comprehensive income when they are held as part of a business model whose objective is achieved both (i) by collecting contractual cash flows (corresponding solely to payments of principal and interest on the principal amount outstanding) and (ii) selling these financial assets.

This category includes debt instruments, such as bonds, that have the contractual cash flow and business model characteristics set out above.

It may also include non-consolidated investments or other financial investments, in which case changes in the fair value of the assets are recognized directly in equity through other comprehensive income until the assets are sold, with the exception of dividends received, which are systematically recognized in the income statement irrespective of the classification of the underlying financial asset.

### 33.15.4 Fair value hierarchy and associated valuation methods

The fair value of financial assets is determined using one of three levels in the fair value hierarchy:

- Level 1: financial assets quoted on an active market;
- Level 2: financial assets whose fair value is determined using valuation techniques drawing on observable market inputs;
- Level 3: financial assets whose fair value is determined using valuation techniques drawing on non-observable inputs (inputs whose value does not result from the price of observable market transactions for the same instrument or from observable market data available as of the end of the reporting period) or inputs which are only partly observable.

## 33.16 Financial liabilities

The classification of financial liabilities determines their accounting treatment and measurement. There are two categories of financial liabilities:

- financial liabilities measured at amortized cost;
- financial liabilities measured at fair value through the income statement (profit or loss).

The Group determines the classification of its financial liabilities upon initial recognition, based on their characteristics.

### 33.16.1 Financial liabilities measured at amortized cost

Financial liabilities are carried at amortized cost if they are held as part of a business model whose objective is to disburse contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category includes borrowings (with the exception of put options granted to minority interests – see Note 33.21), trade payables and most other current and non-current liabilities.

These financial liabilities are initially recognized at fair value less transaction costs, and subsequently at amortized cost using the effective interest method.

The effective interest rate is determined for each transaction and corresponds to the rate that would provide the net carrying amount of the financial liability by discounting its estimated future cash flows until maturity. The calculation includes transaction costs and any premiums and/or discounts. Transaction costs correspond to the costs directly attributable to the acquisition or issue of a financial liability.

The net carrying amount of financial liabilities measured at amortized cost that qualify as hedged items as part of a fair value hedging relationship is adjusted with respect to the hedged risk (see Note 33.17.1).

### 33.16.2 Financial liabilities measured at fair value through the income statement

The Group may elect to carry some financial liabilities at fair value through the income statement. In this case, unlike in the amortized cost method, the transaction costs associated with setting up these financial liabilities are recognized immediately within other financial income and expenses in the income statement.

## 33.17 Derivative instruments

### 33.17.1 Derivative instruments designated as hedging instruments

The Group uses various derivative instruments to reduce its exposure to foreign exchange risk, interest rate risk and the risk of movements in the prices of certain precious metals.

Derivative instruments are recognized in the balance sheet within current or non-current financial assets and liabilities, depending on their maturity. They are recognized at fair value as from the transaction date.

Derivatives designated as hedging instruments are classified by category of hedge based on the nature of the risks being hedged:

- a cash flow hedge is used to hedge the risk of changes in future cash flow from recognized assets or liabilities or a highly probable transaction that would impact the income statement;
- a fair value hedge is used to hedge the risk of changes in the fair value of recognized assets or liabilities or a firm commitment not yet recognized that would impact the income statement.

Hedge accounting can only be applied if all of the following conditions are met:

- the hedged instrument and the hedging instrument are both eligible;
- there is a formal designation and documentation of the hedging relationship as of the date of inception;
- there is an economic relationship between the hedged item and the hedging instrument.

The accounting treatment of derivative instruments qualified as hedging instruments, and their impact on the income statement and balance sheet, differ depending on the type of hedging relationship:

- for cash flow hedges, gains and losses are initially recognized directly in equity through other comprehensive income. They are then transferred to the income statement when the hedged items are recognized;
- for foreign currency derivatives, the effective portion is recorded in operating income, and the ineffective portion, option premiums and difference between spot and forward exchange rates (contango/backwardation) are recorded within “Financial result”;
- for fair value hedges, gains and losses are recorded in the income statement in the same item as the hedged items, except for the ineffective portion, which is always recorded within “Financial result”.

### 33.17.2 Derivative instruments designated as trading instruments

Changes in the fair value of derivative instruments that the Group cannot or does not wish to designate as hedging instruments are recognized in full in the income statement in other financial income and expenses within “Financial result”.

### 33.17.3 Embedded derivative instruments

Certain financial assets or liabilities may contain a derivative instrument. When they are not closely related to the underlying instrument, these embedded derivatives are recognized separately in the balance sheet as a derivative instrument held for trading. Any changes in their fair value are taken in full in the income statement in other financial income and expenses within “Financial result”.

## 33.18 Inventories

Inventories are measured using the weighted average cost method for all of the Group’s business activities.

An impairment allowance on inventories is recognized on the basis of expected inventory turnover and obsolescence and if they are damaged.

## 33.19 Cash and cash equivalents

Cash and cash equivalents recorded on the assets side of the balance sheet include cash, mutual or similar funds, short-term investments and other highly liquid instruments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and have a maximum maturity of three months as of the purchase date.

Investments with a maturity exceeding three months, along with blocked or pledged bank accounts, are excluded from cash and cash equivalents.

Bank overdrafts are presented in borrowings on the liabilities side of the balance sheet. In the statement of cash flows, cash and cash equivalents at the opening and closing of the reporting period include bank overdrafts.

## 33.20 Kering treasury shares

Kering treasury shares, whether specifically allocated to be granted to Group employees, allocated to the liquidity agreement or held for any other purpose, as well as directly related transaction costs, are deducted directly from equity attributable to the Group.

On disposal, the consideration received for these shares, net of transaction costs and the related tax impacts, is also recognized directly in equity attributable to the Group.

## 33.21 Put options granted to minority interests

The Group has undertaken to repurchase the minority interests of shareholders of certain subsidiaries. The strike price of these put options may be set or determined according to a predefined calculation formula, and the options may be exercised either at any time or on a specific date.

The Group recognizes a financial liability in respect of any put options granted to minority interests. This liability is recognized at the present value of the best estimate of the strike price, with an offsetting entry in equity attributable to the Group. Any subsequent changes in the financial liability relating to put options granted to minority interests are recognized directly in equity, including the impact of unwinding the discount.

The financial liability recognized in respect of put options granted to minority interests is shown in the balance sheet within current and non-current borrowings, as appropriate. Put options granted to minority interests are therefore included in consolidated net debt (see Note 33.1.4).

Depending on the agreements signed by the Group with minority interests, minority shareholders may in some cases waive their dividend rights until the put option is exercised. In this case, the corresponding minority interests are canceled, with a direct offsetting entry in equity attributable to the Group. If the minority interests retain their dividend rights until the option is exercised however, the minority interests continue to be shown in the balance sheet.

## 33.22 Provisions for pensions and other post-employment benefits

Based on the laws and practices of each country, the Group recognizes various types of employee benefits, including pensions and other post-employment benefits.

### Defined contribution plans

Under defined contribution plans, the Group is not obliged to make additional payments over and above contributions already made to a fund if the fund does not have sufficient assets to cover the benefits corresponding to services rendered by personnel during the current period and prior periods. Contributions paid into these plans are expensed in the income statement as incurred.

### Defined benefit plans

Under defined benefit plans, obligations are valued using the projected unit credit method based on agreements in effect in each entity. Under this method, each period of service gives rise to an additional unit of benefit entitlement and each unit is measured separately to build up the final obligation. The obligation is then discounted. The actuarial assumptions used to determine the obligations vary according to the economic conditions of the country where the plan is established. These plans are valued by independent actuaries on an annual basis.

The valuations take into account the level of future compensation, the probable active life of employees, life expectancy and staff turnover.

The provision recognized in the balance sheet corresponds to the present value of the obligations calculated as described above, less the fair value of the plans' financial assets under wholly funded pension plans.

The current service cost for these plans is recognized within personnel expenses in the income statement. The interest cost relating to the benefit obligation net of interest income on plan assets under wholly funded plans is recognized in other financial income and expenses within "Financial result". Past service cost, designating the increase in an obligation following the introduction of a new plan or the impact of amendments to an existing plan, is expensed immediately in the income statement within personnel expenses, regardless of whether or not the benefit entitlement has already vested or is still vesting.

Changes in actuarial assumptions and the impact of experience adjustments (the difference between outcomes estimated using actuarial assumptions and actual outcomes) give rise to actuarial gains and losses, which are recognized directly in equity within other comprehensive income. These actuarial gains and losses are never transferred to the income statement.

## 33.23 Provisions

Provisions for litigation, disputes and miscellaneous contingencies and losses are recognized as soon as a present obligation arises from past events, which is likely to result in an outflow of resources embodying economic benefits, the amount of which can be reliably estimated.

Provisions maturing in more than one year are valued at their discounted amount, representing the best estimate of the expense necessary to extinguish the current obligation at the end of the reporting period. The discount rate used reflects current assessments of the time value of money and specific risks related to the liability.

A provision for restructuring costs is recognized when there is a formal and detailed restructuring plan and the plan has begun to be implemented or its main features have been announced before the end of the reporting period. Restructuring costs for which a provision is made essentially represent employee costs (severance pay, early retirement plans, payment in lieu of notice, etc.), work stoppages and compensation for breaches of contract with third parties.

## 33.24 Discontinued operations, assets held for sale and liabilities associated with assets held for sale

The Group applies IFRS 5, which requires the separate recognition and presentation of assets (or disposal groups) held for sale and discontinued operations.

Non-current assets, or groups of assets and liabilities directly associated with those assets, are considered as held for sale if it is highly probable that their carrying amount will be recovered principally through a sale rather than through continuing use. Non-current assets (or disposal groups) held for sale are measured and recognized at the lower of their net carrying amount and their fair value less the costs of disposal. These assets are no longer depreciated or amortized from the time they qualify as assets (or disposal groups) held for sale. They are presented on separate lines in the consolidated balance sheet, without restatement for previous periods.

A discontinued operation is defined as a component of a group that generates cash flows that can be clearly distinguished from the rest of the Group and represents a separate line of business or geographical area of operations. For all periods presented, the net income or loss from these activities is shown on a separate line of the income statement within discontinued operations and is restated in the statement of cash flows.

# NOTE 34 – LIST OF CONSOLIDATED ENTITIES

Consolidation method
Full consolidation: C
Equity method: E

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| **KERING SA** | | | **Parent company** | | **Parent company** |
| **LUXURY HOUSES** | | | | | |
| **France** | | | | | |
| AJH SAS [1] | | C | 100.00 | C | 100.00 |
| ALEXANDER MCQUEEN FRANCE SAS | | C | 100.00 | C | 100.00 |
| ALEXANDER MCQUEEN PARIS | Formation | C | 100.00 | – | – |
| ARCADES PONTHIEU SA | | C | 95.00 | C | 95.00 |
| ATELIER DE CONFECTION SAINT LAURENT | | C | 100.00 | C | 100.00 |
| BALENCIAGA OPERATIONS SAS | | C | 100.00 | C | 100.00 |
| BALENCIAGA SAS | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA FRANCE SAS | | C | 100.00 | C | 100.00 |
| BOUCHERON PARFUMS SAS | | C | 100.00 | C | 100.00 |
| BOUCHERON SAS | | C | 100.00 | C | 100.00 |
| BRIONI FRANCE SAS | | C | 100.00 | C | 100.00 |
| DODO PARIS SAS | Merger | – | – | C | 100.00 |
| FRANCE CROCO SAS | | C | 100.00 | C | 100.00 |
| GG FRANCE SERVICES SAS | Merger | – | – | C | 100.00 |
| GINORI 1735 SAS | | C | 100.00 | C | 100.00 |
| GPO HOLDING SAS | Merger | – | – | C | 100.00 |
| GUCCI FRANCE SAS | | C | 100.00 | C | 100.00 |
| LES BOUTIQUES BOUCHERON SAS | | C | 100.00 | C | 100.00 |
| POMELLATO PARIS SAS | | C | 100.00 | C | 100.00 |
| QEELIN FRANCE SARL | | C | 100.00 | C | 100.00 |
| SAINT LAURENT CULTURE SAS | | C | 100.00 | C | 100.00 |
| SAINT LAURENT EDITIONS SAS | | C | 100.00 | C | 100.00 |
| SAINT LAURENT PRODUCTIONS SAS | | C | 100.00 | C | 100.00 |
| SAS BELTER | Merger | – | – | C | 100.00 |
| SAS ETABLISSEMENTS E. BLONDEAU | Merger | – | – | C | 100.00 |
| SAS FG DÉVELOPPEMENT | Merger | – | – | C | 100.00 |
| YSL VENTES PRIVEES FRANCE SAS | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT BOUTIQUE FRANCE SAS | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT PARFUMS SAS | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT SAS | | C | 100.00 | C | 100.00 |
| **Germany** | | | | | |
| ALEXANDER MCQUEEN TRADING GMBH | | C | 100.00 | C | 100.00 |
| BALENCIAGA GERMANY GmbH | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA GERMANY GmbH | | C | 100.00 | C | 100.00 |
| BRIONI GERMANY GmbH | | C | 100.00 | C | 100.00 |
| DODO DEUTSCHLAND GmbH | | C | 100.00 | C | 100.00 |
| GG LUXURY GOODS GmbH | | C | 100.00 | C | 100.00 |
| POMELLATO DEUTSCHLAND GmbH | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT GERMANY GmbH | | C | 100.00 | C | 100.00 |

[1] Change of the legal name. Formerly SAS CHANSON ET CIE JOAILLIERS FABRICANTS.

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| **Austria** | | | | | |
| ALEXANDER MCQUEEN GmbH | | C | 100.00 | C | 100.00 |
| BALENCIAGA AUSTRIA GmbH | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA AUSTRIA GmbH | | C | 100.00 | C | 100.00 |
| GUCCI AUSTRIA GmbH | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT AUSTRIA GmbH | | C | 100.00 | C | 100.00 |
| **Belgium** | | | | | |
| BALENCIAGA BELGIUM | | C | 100.00 | C | 100.00 |
| GUCCI BELGIUM SA | | C | 100.00 | C | 100.00 |
| POMELLATO BELGIQUE SARL | Formation | C | 100.00 | – | – |
| SAINT LAURENT BELGIUM | | C | 100.00 | C | 100.00 |
| **Denmark** | | | | | |
| BALENCIAGA DENMARK APS | | C | 100.00 | C | 100.00 |
| LUXURY GOODS DENMARK AS | | C | 51.00 | C | 51.00 |
| SAINT LAURENT DENMARK APS | | C | 100.00 | C | 100.00 |
| **Spain** | | | | | |
| BALENCIAGA SPAIN SL | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA ESPANA SL | | C | 100.00 | C | 100.00 |
| POMELLATO BOUTIQUES SPAIN SA [(2)] | | C | 100.00 | C | 100.00 |
| LUXURY GOODS SPAIN SL | | C | 100.00 | C | 100.00 |
| LUXURY TIMEPIECES ESPANA SL | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT SPAIN SA | | C | 100.00 | C | 100.00 |
| **United Kingdom** | | | | | |
| ALEXANDER MCQUEEN TRADING Ltd | | C | 100.00 | C | 100.00 |
| AUTUMNPAPER Ltd | | C | 100.00 | C | 100.00 |
| BALENCIAGA UK Ltd | | C | 100.00 | C | 100.00 |
| BIRDSWAN SOLUTIONS Ltd | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA UK CO. Ltd | | C | 100.00 | C | 100.00 |
| BOUCHERON UK Ltd | | C | 100.00 | C | 100.00 |
| BRIONI UK Ltd | | C | 100.00 | C | 100.00 |
| DODO (UK) Ltd | Liquidation | – | – | C | 100.00 |
| GINORI 1735 LIMITED | | C | 100.00 | C | 100.00 |
| GUCCI Ltd | | C | 100.00 | C | 100.00 |
| LUXURY TIMEPIECES & JEWELLERY OUTLETS Ltd | Liquidation | – | – | C | 100.00 |
| LUXURY TIMEPIECES UK Ltd | | C | 100.00 | C | 100.00 |
| PAINTGATE Ltd | | C | 100.00 | C | 100.00 |
| POMELLATO (UK) Ltd | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT UK Ltd | | C | 100.00 | C | 100.00 |
| **Greece** | | | | | |
| BOTTEGA VENETA GREECE SA | | C | 100.00 | C | 100.00 |
| LUXURY GOODS GREECE AE | | C | 100.00 | C | 100.00 |
| SAINT LAURENT GREECE AE | | C | 100.00 | C | 100.00 |
| **Hungary** | | | | | |
| GUCCI HUNGARY RETAIL LTD | | C | 100.00 | C | 100.00 |
| **Ireland** | | | | | |
| BALENCIAGA IRELAND LTD | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA IRELAND LTD | | C | 100.00 | C | 100.00 |
| GUCCI IRELAND Ltd | | C | 100.00 | C | 100.00 |
| SAINT LAURENT IRELAND LTD | | C | 100.00 | C | 100.00 |

[(2)] Change of legal name. Formerly DODO SPAIN SA.

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| **Italy** | | | | | |
| ACCADEMIA DELLA PELLETTERIA SRL | | C | 51.00 | C | 51.00 |
| ALEXANDER MCQUEEN ITALIA SRL | | C | 100.00 | C | 100.00 |
| ALEXANDER MCQUEEN LOGISTICA SRL | | C | 100.00 | C | 100.00 |
| ALEXANDER MCQUEEN ONLINE ITALIA SRL | | C | 100.00 | C | 100.00 |
| B.V. ITALIA SRL | | C | 100.00 | C | 100.00 |
| BALENCIAGA LOGISTICA SRL | | C | 100.00 | C | 100.00 |
| BALENCIAGA ONLINE ITALIA SRL | | C | 100.00 | C | 100.00 |
| BALENCIAGA RETAIL ITALIA SRL | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA LOGISTICA SRL | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA SRL | | C | 100.00 | C | 100.00 |
| BRIONI GERMANICS HOLDING SRL | Merger | – | – | C | 100.00 |
| BRIONI ITALIA SRL | | C | 100.00 | C | 100.00 |
| BRIONI SpA | | C | 100.00 | C | 100.00 |
| BV ECOMMERCE SRL | | C | 100.00 | C | 100.00 |
| CARAVEL PELLI PREGIATE SpA | | C | 100.00 | C | 100.00 |
| CASTELLANI FASHION S.R.L | Acquisition | C | 40.00 | – | – |
| CHEM – TEC SRL | | C | 100.00 | C | 51.00 |
| COLONNA SpA | | C | 100.00 | C | 51.00 |
| CONCERIA 800 SpA | | C | 100.00 | C | 51.00 |
| COSTANZO & RIZZETTO SRL | | E | 45.00 | E | 45.00 |
| DESIGN MANAGEMENT 2 SRL | | C | 100.00 | C | 100.00 |
| DESIGN MANAGEMENT SRL | | C | 100.00 | C | 100.00 |
| DI REMIGIO & DI DIODORO S.R.L. | | C | 51.00 | C | 51.00 |
| DODO RETAIL ITALIA S.R.L. | | C | 100.00 | C | 100.00 |
| DODO S.R.L | Formation | C | 100.00 | – | – |
| E-LITE SRL | | C | 100.00 | C | 100.00 |
| FALCO PELLAMI SpA | | C | 100.00 | C | 51.00 |
| FUTURA SRL | | C | 77.00 | C | 77.00 |
| G COMMERCE EUROPE SpA | | C | 100.00 | C | 100.00 |
| GARPE SRL | | C | 100.00 | C | 100.00 |
| GGW ITALIA SRL | | C | 100.00 | C | 100.00 |
| GIANANGELI SRL | Acquisition | C | 30.00 | – | – |
| GJP SRL | | C | 100.00 | C | 100.00 |
| GPA SRL | | C | 100.00 | C | 100.00 |
| GT SRL | | C | 100.00 | C | 100.00 |
| GUCCI LOGISTICA SpA | | C | 100.00 | C | 100.00 |
| GUCCI PALAZZO SRL | | C | 100.00 | C | 100.00 |
| GUCCIO GUCCI SpA | | C | 100.00 | C | 100.00 |
| IL CASTELLO SRL | Acquisition | C | 70.00 | – | – |
| IMMOBILIARE ARMEA SRL | | C | 100.00 | C | 100.00 |
| IMMOBILIARE ARNO | | C | 100.00 | C | 100.00 |
| K RETAIL SRL | | C | 100.00 | C | 100.00 |
| LUXURY GOODS ITALIA SpA | | C | 100.00 | C | 100.00 |
| LUXURY GOODS OUTLET SRL | | C | 100.00 | C | 100.00 |
| MANIFATTURA VENETA PELLETERIE SRL | | C | 100.00 | C | 100.00 |
| MARBELLA PELLAMI SpA | | C | 100.00 | C | 51.00 |
| MFI LUXURY S.R.L | | E | 30.00 | E | 30.00 |
| MOOD SRL | | E | 19.00 | E | 19.00 |
| NEGOZI RICHARD GINORI SRL | | C | 100.00 | C | 100.00 |
| PELLETTERIA ALESSANDRA SRL | | C | 90.00 | C | 90.00 |
| PIGINI SRL | | C | 100.00 | C | 100.00 |
| POMELLATO EUROPA SpA | | C | 100.00 | C | 100.00 |

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| POMELLATO SpA | | C | 100.00 | C | 100.00 |
| RICHARD GINORI SRL | | C | 100.00 | C | 100.00 |
| ROMAN STYLE SpA | | C | 100.00 | C | 100.00 |
| SAINT LAURENT ECOMMERCE SRL | | C | 100.00 | C | 100.00 |
| SL LUXURY RETAIL SRL | | C | 100.00 | C | 100.00 |
| TEST & INNOVATION LAB SRL | | C | 100.00 | C | 100.00 |
| TIGER FLEX SRL | | C | 100.00 | C | 100.00 |
| TMLO HOLDING SRL | | C | 100.00 | C | 100.00 |
| VALENZA SETTING LAB SRL | Acquisition | C | 100.00 | – | – |
| YVES SAINT LAURENT MANIFATTURE SRL | | C | 100.00 | C | 100.00 |
| **Luxembourg** | | | | | |
| GUCCI GULF INVESTMENT SARL | | C | 100.00 | C | 100.00 |
| GUCCI LUXEMBOURG SA | | C | 100.00 | C | 100.00 |
| KERING PARTICIPATIONS SARL | | C | 100.00 | C | 100.00 |
| QEELIN HOLDING LUXEMBOURG SA | | C | 100.00 | C | 100.00 |
| **Monaco** | | | | | |
| BOUCHERON SAM | | C | 100.00 | C | 100.00 |
| GUCCI SAM | | C | 100.00 | C | 100.00 |
| KERING RETAIL MONACO SAM | | C | 100.00 | C | 100.00 |
| SAM YVES SAINT LAURENT OF MONACO | | C | 100.00 | C | 100.00 |
| SOCIETE MONEGASQUE DE HAUTE JOAILLERIE S.A.M. | | C | 100.00 | C | 100.00 |
| **Norway** | | | | | |
| LUXURY GOODS NORWAY AS | | C | 51.00 | C | 51.00 |
| SAINT LAURENT NORWAY AS | | C | 100.00 | C | 100.00 |
| **Netherlands** | | | | | |
| ALEXANDER MCQUEEN (THE NETHERLANDS) BV | | C | 100.00 | C | 100.00 |
| BALENCIAGA NETHERLANDS BV | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA NETHERLANDS BV | | C | 100.00 | C | 100.00 |
| G DISTRIBUTION BV | | C | 100.00 | C | 100.00 |
| GG MIDDLE EAST BV | | C | 51.00 | C | 51.00 |
| GG OTHER TERRITORIES BV | | C | 100.00 | C | 100.00 |
| GUCCI NETHERLANDS BV | | C | 100.00 | C | 100.00 |
| KERING ASIAN HOLDING BV | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT NETHERLANDS BV | | C | 100.00 | C | 100.00 |
| **Poland** | | | | | |
| SAINT LAURENT POLAND SP. Z.O.O | | C | 100.00 | C | 100.00 |
| LUXURY GOODS POLAND SP.Z.O.O | Acquisition | C | 100.00 | – | – |
| **Portugal** | | | | | |
| BOTTEGA VENETA PORTUGAL, UNIPESSOAL LDA | | C | 100.00 | C | 100.00 |
| GUCCI PORTUGAL UNIPESSOAL, LDA | | C | 100.00 | C | 100.00 |
| SAINT LAURENT PORTUGAL SL | | C | 100.00 | C | 100.00 |
| **Czech Republic** | | | | | |
| BALENCIAGA CZECH REPUBLIC SRO | | C | 100.00 | C | 100.00 |
| LUXURY GOODS CZECH REPUBLIC SRO | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT CZECH REPUBLIC, SRO | | C | 100.00 | C | 100.00 |
| **Romania** | | | | | |
| SIFA INTERNATIONAL SRL | | C | 100.00 | C | 100.00 |
| **Russia** | | | | | |
| BOUCHERON RUS OOO | | C | 100.00 | C | 100.00 |
| GUCCI RUS OOO | | C | 100.00 | C | 100.00 |
| **Serbia** | | | | | |
| F.LLI ROSSI SHOES DOO | | C | 70.00 | C | 70.00 |
| LUXURY TANNERY DOO | | C | 100.00 | C | 51.00 |

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| **Sweden** | | | | | |
| BOTTEGA VENETA SWEDEN AB | | C | 100.00 | C | 100.00 |
| GUCCI SWEDEN AB | | C | 51.00 | C | 51.00 |
| SAINT LAURENT SWEDEN AB | | C | 100.00 | C | 100.00 |
| **Switzerland** | | | | | |
| BALENCIAGA SWITZERLAND SA | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA SWISS RETAIL SA | | C | 100.00 | C | 100.00 |
| BOUCHERON (SUISSE) SA | | C | 100.00 | C | 100.00 |
| BOUCHERON TIMEPIECES SA | | C | 100.00 | C | 100.00 |
| BRIONI SWITZERLAND SA | | C | 100.00 | C | 100.00 |
| FABBRICA QUADRANTI SA | | C | 100.00 | C | 100.00 |
| GUCCI SWISS RETAIL SA | | C | 100.00 | C | 100.00 |
| GUCCI SWISS TIMEPIECES SA | | C | 100.00 | C | 100.00 |
| POMELLATO SWITZERLAND S.A. | | C | 100.00 | C | 100.00 |
| YSL SWITZERLAND SA | | C | 100.00 | C | 100.00 |
| **Aruba** | | | | | |
| GEMINI ARUBA NV | | C | 100.00 | C | 100.00 |
| **Brazil** | | | | | |
| BALENCIAGA BRASIL LTDA | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA HOLDING Ltda | | C | 100.00 | C | 100.00 |
| GUCCI BRASIL IMPORTACAO E EXPORTACAO Ltda | | C | 100.00 | C | 100.00 |
| SAINT LAURENT BRASIL IMPORTACAO E EXPORTACAO Ltda | | C | 100.00 | C | 100.00 |
| **Canada** | | | | | |
| ALEXANDER MCQUEEN TRADING CANADA INC. | | C | 100.00 | C | 100.00 |
| BALENCIAGA CANADA Inc. | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA CANADA Ltd | | C | 100.00 | C | 100.00 |
| G. BOUTIQUES Inc. | | C | 100.00 | C | 100.00 |
| QEELIN CANADA LTD | | C | 100.00 | C | 100.00 |
| SAINT LAURENT CANADA BOUTIQUES Inc. | | C | 100.00 | C | 100.00 |
| **Chile** | | | | | |
| LUXURY GOODS CHILE SpA | | C | 51.00 | C | 51.00 |
| **United States** | | | | | |
| ALEXANDER MCQUEEN TRADING AMERICA, Inc. | | C | 100.00 | C | 100.00 |
| BALENCIAGA AMERICA Inc. | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA Inc. | | C | 100.00 | C | 100.00 |
| BOUCHERON JOAILLERIE (USA) Inc. | | C | 100.00 | C | 100.00 |
| BRIONI AMERICA HOLDING Inc. | Merger | – | – | C | 100.00 |
| BRIONI AMERICA Inc. | | C | 100.00 | C | 100.00 |
| G GATOR USA LLC | | C | 100.00 | C | 100.00 |
| GUCCI AMERICA Inc. | | C | 100.00 | C | 100.00 |
| GUCCI FINANCIAL HOLDING AMERICAS, INC. | | C | 100.00 | C | 100.00 |
| GUCCI OSTERIA USA LLC | | C | 100.00 | C | 100.00 |
| GUCCI SAIPAN INC | Liquidation | – | – | C | 100.00 |
| GUCCI TRUST | | C | 100.00 | C | 100.00 |
| KERING AMERICAS TRADING, LLC | | C | 100.00 | C | 100.00 |
| LUXURY HOLDINGS Inc. | | C | 100.00 | C | 100.00 |
| POMELLATO USA Inc. | | C | 100.00 | C | 100.00 |
| RICHARD GINORI 1735 INC | | C | 100.00 | C | 100.00 |
| WALL'S GATOR FARM II LLC | | E | 40.00 | E | 40.00 |
| WG ALLIGATOR FARM LLC | | E | 40.00 | E | 40.00 |
| YVES SAINT LAURENT AMERICA HOLDING Inc. | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT AMERICA Inc. | | C | 100.00 | C | 100.00 |

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| **Mexico** | | | | | |
| BALENCIAGA RETAIL MEXICO, S. DE R.L. DE C.V. | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA MEXICO, S. DE R.L. DE C.V. | | C | 100.00 | C | 100.00 |
| BRIONI RETAIL MEXICO, S. DE R.L. DE C.V. | | C | 100.00 | C | 100.00 |
| D ITALIAN CHARMS, S.A. DE R.L. DE C.V. | | C | 100.00 | C | 100.00 |
| GUCCI IMPORTACIONES S.A. DE C.V. | | C | 100.00 | C | 100.00 |
| GUCCI MEXICO S.A. DE C.V. | | C | 100.00 | C | 100.00 |
| SAINT LAURENT MEXICO, S. DE R.L. DE C.V. | | C | 100.00 | C | 100.00 |
| **Panama** | | | | | |
| LUXURY GOODS PANAMA S. DE R.L. | | C | 51.00 | C | 51.00 |
| SAINT LAURENT PANAMA Inc. | | C | 100.00 | C | 100.00 |
| **Dominican Republic** | | | | | |
| SAINT LAURENT DOMINICAN REPUBLIC S.A.S. | | C | 100.00 | C | 100.00 |
| **Australia** | | | | | |
| ALEXANDER MCQUEEN AUSTRALIA PTY Ltd | | C | 100.00 | C | 100.00 |
| BALENCIAGA AUSTRALIA PTY Ltd | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA AUSTRALIA PTY Ltd | | C | 100.00 | C | 100.00 |
| GUCCI AUSTRALIA PTY Ltd | | C | 100.00 | C | 100.00 |
| QEELIN AUSTRALIA PTY. LTD. | | C | 100.00 | C | 100.00 |
| SAINT LAURENT AUSTRALIA PTY Ltd | | C | 100.00 | C | 100.00 |
| **New Zealand** | | | | | |
| ALEXANDER MCQUEEN NEW ZEALAND LTD | | C | 100.00 | C | 100.00 |
| BALENCIAGA NEW ZEALAND LTD | | C | 100.00 | C | 100.00 |
| GUCCI NEW ZEALAND Ltd | | C | 100.00 | C | 100.00 |
| SAINT LAURENT NEW ZEALAND Ltd | | C | 100.00 | C | 100.00 |
| **Greater China** | | | | | |
| ***Mainland China*** | | | | | |
| ALEXANDER McQUEEN (SHANGHAI) TRADING Ltd | | C | 100.00 | C | 100.00 |
| BALENCIAGA FASHION SHANGHAI CO. Ltd | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA (CHINA) TRADING Ltd | | C | 100.00 | C | 100.00 |
| BRIONI (SHANGHAI) TRADING Ltd | | C | 100.00 | C | 100.00 |
| DODO (SHANGHAI) WATCHES AND JEWELRY LTD | Liquidation | – | – | C | 100.00 |
| GINORI 1735 RETAIL SHANGHAI CO, LTD | | C | 100.00 | C | 100.00 |
| GUCCI (CHINA) TRADING Ltd | | C | 100.00 | C | 100.00 |
| GUCCI WATCHES MARKETING CONSULTING (SHANGHAI) Ltd | Liquidation | – | – | C | 100.00 |
| KERING (SHANGHAI) WATCHES AND JEWELRY Ltd | | C | 100.00 | C | 100.00 |
| LUXURY EMOTIONS (SHENZHEN) BUSINESS MANAGEMENT CO., LTD | Liquidation | – | – | C | 100.00 |
| POMELLATO SHANGHAI CO. Ltd | | C | 100.00 | C | 100.00 |
| QEELIN TRADING (SHANGHAI) CO. Ltd | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT (SHANGHAI) TRADING Ltd | | C | 100.00 | C | 100.00 |
| ***Hong Kong SAR*** | | | | | |
| ALEXANDER MCQUEEN (HONG KONG) Ltd | | C | 100.00 | C | 100.00 |
| BALENCIAGA ASIA PACIFIC Ltd | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA HONG KONG Ltd | | C | 100.00 | C | 100.00 |
| BOUCHERON HONG KONG Ltd | | C | 100.00 | C | 100.00 |
| BRIONI HONG KONG Ltd | | C | 100.00 | C | 100.00 |
| DODO HONG KONG LTD | | C | 100.00 | C | 100.00 |
| GUCCI ASIA COMPANY Ltd | | C | 100.00 | C | 100.00 |
| GUCCI GROUP (HONG KONG) LTD | | C | 100.00 | C | 100.00 |
| POMELLATO PACIFIC Ltd | | C | 100.00 | C | 100.00 |
| QEELIN Ltd | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT (HONG KONG) Ltd | | C | 100.00 | C | 100.00 |

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| ***Macau SAR*** | | | | | |
| ALEXANDER McQUEEN (MACAU) Ltd | | C | 100.00 | C | 100.00 |
| BALENCIAGA MACAU Ltd | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA MACAU Ltd | | C | 100.00 | C | 100.00 |
| BRIONI MACAU Ltd | | C | 100.00 | C | 100.00 |
| GUCCI MACAU Ltd | | C | 100.00 | C | 100.00 |
| KERING (MACAU) WATCHES AND JEWELRY Ltd | | C | 100.00 | C | 100.00 |
| QEELIN MACAU Ltd | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT MACAU Ltd | | C | 100.00 | C | 100.00 |
| ***Taiwan*** | | | | | |
| BOUCHERON TAIWAN CO. Ltd | | C | 100.00 | C | 100.00 |
| **South Korea** | | | | | |
| ALEXANDER MCQUEEN KOREA LLC | | C | 100.00 | C | 100.00 |
| BALENCIAGA KOREA LLC | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA KOREA LLC | | C | 100.00 | C | 100.00 |
| BRIONI KOREA LLC | | C | 100.00 | C | 100.00 |
| GUCCI KOREA LLC | | C | 100.00 | C | 100.00 |
| KERING WATCHES & JEWELRY KOREA LLC | | C | 100.00 | C | 100.00 |
| YVES SAINT LAURENT KOREA LLC | | C | 100.00 | C | 100.00 |
| **Guam** | | | | | |
| BOTTEGA VENETA GUAM Inc. | | C | 100.00 | C | 100.00 |
| GUCCI GROUP GUAM Inc. | | C | 100.00 | C | 100.00 |
| **India** | | | | | |
| LUXURY GOODS RETAIL PRIVATE LTD | | C | 51.00 | C | 51.00 |
| YVES SAINT LAURENT INDIA PRIVATE LTD | | C | 51.00 | C | 51.00 |
| **Japan** | | | | | |
| BALENCIAGA JAPAN Ltd | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA JAPAN Ltd | | C | 100.00 | C | 100.00 |
| BOUCHERON JAPAN Ltd | | C | 100.00 | C | 100.00 |
| BRIONI JAPAN CO. Ltd | | C | 100.00 | C | 100.00 |
| GUCCI OSTERIA JAPAN G.K. | | C | 100.00 | C | 100.00 |
| POMELLATO JAPAN CO. Ltd | | C | 100.00 | C | 100.00 |
| QEELIN JAPAN LIMITED | | C | 100.00 | C | 100.00 |
| RICHARD GINORI ASIA PACIFIC CO. LTD. | | C | 100.00 | C | 100.00 |
| **Malaysia** | | | | | |
| AUTUMNPAPER MALAYSIA SDN BHD | | C | 100.00 | C | 100.00 |
| BALENCIAGA SEA MALAYSIA SDN BHD | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA MALAYSIA SDN BHD | | C | 100.00 | C | 100.00 |
| GUCCI (MALAYSIA) SDN BHD | | C | 100.00 | C | 100.00 |
| KERING WATCHES AND JEWELRY (MALAYSIA) SDN BHD | | C | 100.00 | C | 100.00 |
| SAINT LAURENT (MALAYSIA) SDN BHD | | C | 100.00 | C | 100.00 |
| **Philippines** | | | | | |
| LUXURY GOODS PHILIPPINES INC | | C | 75.00 | C | 75.00 |
| **Singapore** | | | | | |
| ALEXANDER MCQUEEN (SINGAPORE) PTE Ltd | | C | 100.00 | C | 100.00 |
| BALENCIAGA SINGAPORE PTE Ltd | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA SINGAPORE PRIVATE Ltd | | C | 100.00 | C | 100.00 |
| GUCCI SINGAPORE PTE Ltd | | C | 100.00 | C | 100.00 |
| KERING (SINGAPORE) WATCHES AND JEWELRY PTE Ltd | | C | 100.00 | C | 100.00 |
| SAINT LAURENT (SINGAPORE) PTE Ltd | | C | 100.00 | C | 100.00 |

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| **Thailand** | | | | | |
| ALEXANDER MCQUEEN (THAILAND) Ltd | | C | 100.00 | C | 100.00 |
| BALENCIAGA THAILAND Ltd | | C | 100.00 | C | 100.00 |
| BOTTEGA VENETA (THAILAND) Ltd | | C | 100.00 | C | 75.00 |
| GUCCI SERVICES (THAILAND) Ltd | | C | 98.00 | C | 98.00 |
| LUXURY GOODS (THAILAND) Ltd | | C | 100.00 | C | 75.00 |
| SAINT LAURENT (THAILAND) CO. Ltd | | C | 100.00 | C | 100.00 |
| **Vietnam** | | | | | |
| GUCCI VIETNAM CO. Ltd | | C | 100.00 | C | 100.00 |
| SAINT LAURENT VIETNAM COMPANY LIMITED | Formation | C | 100.00 | – | – |
| **South Africa** | | | | | |
| GG LUXURY RETAIL SOUTH AFRICA PTE Ltd | | C | 62.00 | C | 62.00 |
| **Saudi Arabia** | | | | | |
| ARABIAN LUXURY GOODS TRADING (LLC) | | C | 75.00 | C | 75.00 |
| BOTTEGA VENETA ARABIA TRADING LLC | | C | 75.00 | C | 75.00 |
| BRIONI MIDDLE EAST GENERAL TRADING LLC | | C | 100.00 | C | 100.00 |
| LUXURY GOODS ARABIA LTD | | C | 75.00 | C | 75.00 |
| SAINT LAURENT ARABIA TRADING LLC | | C | 75.00 | C | 75.00 |
| **Bahrain** | | | | | |
| FLORENCE 1921 WLL | | C | 49.00 | C | 49.00 |
| SAINT LAURENT BAHRAIN W.L.L | | C | 99.90 | C | 99.90 |
| **United Arab Emirates** | | | | | |
| AP LUXURY GOODS MIDDLE EAST LLC | | C | 49.00 | C | 49.00 |
| ATELIER LUXURY GULF LLC | | C | 49.00 | C | 49.00 |
| FASHION LUXURY MIDDLE EAST LLC | | C | 49.00 | C | 49.00 |
| KERING TRADING MIDDLE EAST DWC - LLC | | C | 100.00 | C | 100.00 |
| LUXURY FASHION GULF LLC | | C | 49.00 | C | 49.00 |
| LUXURY GOODS GULF LLC | | C | 51.00 | C | 49.00 |
| **Kuwait** | | | | | |
| AUTUMNPAPER LUXURY GOODS FOR READYMADE CLOTHES, SHOES AND ACCESSORIES WLL | | C | 49.00 | C | 49.00 |
| B.A.L FOR READY-TO-WEAR APPAREL AND ACCESSORIES WLL | | C | 49.00 | C | 49.00 |
| BOTTEGA VENETA LEATHER GOODS KUWAIT WLL | | C | 49.00 | C | 49.00 |
| LUXURY GOODS KUWAIT WLL | | C | 26.01 | C | 26.01 |
| YSL KUWAIT FOR READYMADE CLOTHES AND ACCESSORIES WLL | | C | 49.00 | C | 49.00 |
| **Morocco** | | | | | |
| SAINT LAURENT MOROCCO | Formation | C | 100.00 | – | – |
| **Qatar** | | | | | |
| APL LUXURY FASHION TRADING WLL. | | C | 49.00 | C | 49.00 |
| LUXURY GOODS QATAR LLC | | C | 49.00 | C | 49.00 |
| GUCCI QFZ LLC | | C | 100.00 | C | 100.00 |
| LUXURY GOODS QATAR LLC | | C | 25.50 | C | 25.50 |
| SAINT LAURENT PARIS LLC | | C | 24.00 | C | 24.00 |
| **Turkey** | | | | | |
| BOTTEGA VENETA TURKEY LÜKS ÜRÜNLER LIMITED ŞIRKETI | | C | 100.00 | C | 100.00 |
| GUCCI TURKEY LUXURY GOODS TRADE LLP | | C | 100.00 | C | 100.00 |
| SAINT LAURENT TURKEY LÜKS ÜRÜNLER LIMITED ŞIRKETI | | C | 100.00 | C | 100.00 |

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| KERING EYEWEAR & CORPORATE | | | | | |
| KERING EYEWEAR & KERING BEAUTE | | | | | |
| **France** | | | | | |
| FONTAINE FRANCE SARL | | C | 100.00 | C | 100.00 |
| FRAGRANCES PRODUCTION SARL | | C | 100.00 | C | 100.00 |
| KERING EYEWEAR FRANCE SAS | | C | 65.07 | C | 65.07 |
| MANUFACTURE KERING EYEWEAR SAS | | C | 65.07 | C | 65.07 |
| MAUI JIM EUROPE SARL | | C | 65.07 | C | 65.07 |
| MYRRH SARL | | C | 100.00 | C | 100.00 |
| USINAGE ET NOUVELLES TECHNOLOGIES S.A.S. | | C | 65.07 | C | 65.07 |
| **Germany** | | | | | |
| KERING EYEWEAR DACH GmbH | | C | 65.07 | C | 65.07 |
| MAUI JIM GERMANY, GMBH | | C | 65.07 | C | 65.07 |
| **Croatia** | | | | | |
| KERING EYEWEAR SOUTH EAST EUROPE DOO | | C | 65.07 | C | 65.07 |
| **Denmark** | | | | | |
| LINDBERG \| APS [3] | | C | 65.07 | C | 65.07 |
| LINDBERG AS | | C | 65.07 | C | 65.07 |
| **Spain** | | | | | |
| KERING EYEWEAR ESPANA SA | | C | 65.07 | C | 65.07 |
| MAUI JIM SPAIN, S.L. | | C | 65.07 | C | 65.07 |
| **United Kingdom** | | | | | |
| CHENAL II LTD. | Liquidation | – | – | C | 100.00 |
| FONTAINE LTD. | | C | 100.00 | C | 100.00 |
| KERING BEAUTE UK | | C | 100.00 | C | 100.00 |
| KERING EYEWEAR UK Ltd | | C | 65.07 | C | 65.07 |
| LAGUNE LTD. | | C | 100.00 | C | 100.00 |
| MAUI JIM UK LTD. | | C | 65.07 | C | 65.07 |
| THE ORANGE SQUARE COMPANY LTD | | C | 100.00 | C | 100.00 |
| **Greece** | | | | | |
| KERING EYEWEAR GREECE | Formation | C | 65.07 | – | – |
| **Italy** | | | | | |
| KERING EYEWEAR SpA | | C | 65.07 | C | 65.07 |
| MAUI JIM - ITALY S.R.L. | | C | 65.07 | C | 65.07 |
| REALE COMPAGNIA ITALIANA S.P.A | Formation | C | 100.00 | – | – |
| TRENTI INDUSTRIA OCCHIALI SPA | | C | 35.79 | C | 35.79 |
| **Jersey** | | | | | |
| CHENAL I LTD. | Liquidation | – | – | C | 100.00 |
| **Luxembourg** | | | | | |
| FONTAINE LUXEMBOURG SARL | | C | 100.00 | C | 100.00 |
| **Portugal** | | | | | |
| KERING EYEWEAR PORTUGAL UNIPESSOAL LDA | | C | 65.07 | C | 65.07 |
| **Sweden** | | | | | |
| MAUI JIM NORDIC AB | | C | 65.07 | C | 65.07 |
| **Canada** | | | | | |
| INTERNATIONAL COSMETICS & PERFUMES CANADA LTD. | | C | 100.00 | C | 100.00 |
| MAUI JIM CANADA ULC | | C | 65.07 | C | 65.07 |

[3] Change of registered office and legal name. Formerly LINDBERG SA, based in Luxembourg

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| **United States** | | | | | |
| CREED BOUTIQUE BEVERLY HILLS, LLC | Merger | – | – | C | 100.00 |
| CREED BOUTIQUE HOUSTON, LLC | Merger | – | – | C | 100.00 |
| CREED BOUTIQUE KING OF PRUSSIA, LLC | Merger | – | – | C | 100.00 |
| CREED BOUTIQUE LAS VEGAS CRYSTALS, LLC | Merger | – | – | C | 100.00 |
| CREED BOUTIQUE LAS VEGAS, LLC | Merger | – | – | C | 100.00 |
| CREED BOUTIQUE LLC | | C | 100.00 | C | 100.00 |
| CREED BOUTIQUE MIAMI, LLC | Merger | – | – | C | 100.00 |
| CREED BOUTIQUE NORTHPARK, LLC | Merger | – | – | C | 100.00 |
| CREED BOUTIQUE VALLEY FAIR LCC | Merger | – | – | C | 100.00 |
| HUIPU CORP. | | C | 65.07 | C | 65.07 |
| INTERNATIONAL COSMETICS AND PERFUMES FLO,LLC | | C | 100.00 | C | 100.00 |
| INTERNATIONAL COSMETICS AND PERFUMES MAT,LLC | Liquidation | – | – | C | 100.00 |
| INTERNATIONAL COSMETICS AND PERFUMES MIZ, LLC | | C | 100.00 | C | 100.00 |
| INTERNATIONAL COSMETICS AND PERFUMES, INC. | | C | 100.00 | C | 100.00 |
| KERING EYEWEAR USA Inc. | | C | 65.07 | C | 65.07 |
| LINDBERG USA, IINC. | Merger | – | – | C | 65.07 |
| MAUI JIM INC. | | C | 65.07 | C | 65.07 |
| MAUI JIM USA, INC. | | C | 65.07 | C | 65.07 |
| NILES FISHING COMPANY, LTD. | | C | 65.07 | C | 65.07 |
| ZEAL OPTICS, INC. | | C | 65.07 | C | 65.07 |
| **Mexico** | | | | | |
| COSPER INTERNATIONAL S. DE R.L. DE C.V. | | C | 100.00 | C | 100.00 |
| CREED BOUTIQUE MASARYK S.A DE C.V. | | C | 100.00 | C | 100.00 |
| **Australia** | | | | | |
| A.C.N. 682 948 705 PTY LTD | Formation | C | 65.07 | – | – |
| KERING EYEWEAR AUSTRALIA PTY Ltd | | C | 65.07 | C | 65.07 |
| MAUI JIM AUSTRALIA PTY, LTD | | C | 65.07 | C | 65.07 |
| **Greater China** | | | | | |
| ***Mainland China*** | | | | | |
| FONTAINE (SHANGHAI) INTERNATIONAL TRADE CO., LTD | | C | 100.00 | C | 100.00 |
| KERING EYEWEAR SHANGHAI TRADING ENTERPRISES Ltd | | C | 65.07 | C | 65.07 |
| LINDBERG SHANGHAI TRADING LTD | Merger | – | – | C | 65.07 |
| MAUI JIM EYEWEAR SELLING (SHANGHAI) CO., LTD | | C | 65.07 | C | 65.07 |
| ***Hong Kong SAR*** | | | | | |
| FONTAINE HK LTD. | | C | 100.00 | C | 100.00 |
| KERING EYEWEAR APAC Ltd | | C | 65.07 | C | 65.07 |
| MAUI JIM ASIA LIMITED | | C | 65.07 | C | 65.07 |
| ***Taiwan*** | | | | | |
| KERING EYEWEAR TAIWAN Ltd | | C | 65.07 | C | 65.07 |
| **South Korea** | | | | | |
| KERING EYEWEAR KOREA Ltd | | C | 65.07 | C | 65.07 |
| **India** | | | | | |
| KERING EYEWEAR INDIA Ltd | | C | 65.07 | C | 65.07 |
| MAUI JIM SUN OPTICS INDIA PRIVATE LIMITED | | C | 65.07 | C | 65.07 |
| **Japan** | | | | | |
| KERING EYEWEAR JAPAN Ltd | | C | 65.07 | C | 65.07 |
| **Malaysia** | | | | | |
| KERING EYEWEAR MALAYSIA SDN BHD | | C | 65.07 | C | 65.07 |
| **Mexico** | | | | | |
| MAUI JIM SUNGLASSES DE MEXICO S DE RL DE CV | | C | 65.07 | C | 65.07 |
| **Singapore** | | | | | |
| KERING EYEWEAR SINGAPORE PTE LTD | | C | 65.07 | C | 65.07 |

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| **South Africa** | | | | | |
| MAUI JIM SOUTH AFRICA (PTY) LTD | | C | 65.07 | C | 65.07 |
| **United Arab Emirates** | | | | | |
| CREED MIDDLE EAST PERFUMES TRADING LLC | | C | 100.00 | C | 100.00 |
| KERING EYEWEAR MIDDLE EAST FZ-LLC | | C | 65.07 | C | 65.07 |
| MAUI JIM MIDDLE EAST FZE | | C | 65.07 | C | 65.07 |
| MAUI JIM MIDDLE EAST TRADING L.L.C | | C | 65.07 | C | 65.07 |
| CORPORATE | | | | | |
| **France** | | | | | |
| 26 VENDOME SCI | Formation | C | 100.00 | – | – |
| 56 MONTAIGNE SCI | Formation | C | 100.00 | – | – |
| 56 MONTAIGNE SNC | | C | 100.00 | C | 100.00 |
| CASTIGLIONE 12-14 SCI | | C | 100.00 | C | 100.00 |
| DISCODIS SAS | Merger | – | – | C | 100.00 |
| GG FRANCE 13 SAS | | C | 100.00 | C | 100.00 |
| GG FRANCE 14 SAS | | C | 100.00 | C | 100.00 |
| IMMO FRANCE 1 SAS | | C | 100.00 | C | 100.00 |
| IMMO FRANCE 2 SAS | | C | 100.00 | C | 100.00 |
| IMMO FRANCE 3 SAS | | C | 100.00 | C | 100.00 |
| IMMO FRANCE 4 SAS | | C | 100.00 | C | 100.00 |
| IMMO FRANCE 5 SAS | | C | 100.00 | C | 100.00 |
| KERING BEAUTE SAS | | C | 100.00 | C | 100.00 |
| KERING FINANCE SNC | | C | 100.00 | C | 100.00 |
| KERING FRANCE 1 | | C | 100.00 | C | 100.00 |
| KERING FRANCE 2 SAS | Formation | C | 100.00 | – | – |
| KERING FRANCE PARTICIPATIONS SAS | | C | 100.00 | C | 100.00 |
| KERING LEATHER INNOVATION LAB SAS | Consolidation | C | 100.00 | – | – |
| KERING SIGNATURE | | C | 100.00 | C | 100.00 |
| KERING STUDIO | Consolidation | C | 100.00 | – | – |
| KERING TALENT AND LEARNING | Consolidation | C | 100.00 | – | – |
| KERING VENTURE SAS | | C | 100.00 | C | 100.00 |
| LYSITHEE SAS | Formation | C | 100.00 | – | – |
| MATIERE PREMIERE | Acquisition | E | 20.00 | – | – |
| MONTAIGNE 35 - 37 SCI | | C | 100.00 | C | 100.00 |
| PASIPHAE SCI | Formation | C | 100.00 | – | – |
| SOCIETE CIVILE KERING CAPITAL | | C | 100.00 | C | 100.00 |
| **Spain** | | | | | |
| KERING SPAIN SL | | C | 100.00 | C | 100.00 |
| **United Kingdom** | | | | | |
| KERING INTERNATIONAL Ltd | | C | 100.00 | C | 100.00 |
| KERING UK SERVICES Ltd | | C | 100.00 | C | 100.00 |
| **Italy** | | | | | |
| KERING ITALIA SpA | | C | 100.00 | C | 100.00 |
| KERING SERVICE ITALIA SpA | | C | 100.00 | C | 100.00 |
| NEVER GIVE UP INVESTMENTI S.R.L. | | C | 50.98 | C | 50.74 |
| **Luxembourg** | | | | | |
| E-KERING LUX SA | | C | 100.00 | C | 100.00 |
| KERING RE | | C | 100.00 | C | 100.00 |

| Company | Transaction | % interest Dec. 31, 2024 | | % interest Dec. 31, 2023 | |
|---|---|---|---|---|---|
| **Netherlands** | | | | | |
| GUCCI PARTICIPATION BV | | C | 100.00 | C | 100.00 |
| K OPERATIONS BV | | C | 100.00 | C | 100.00 |
| KERING HOLLAND NV | | C | 100.00 | C | 100.00 |
| KERING INVESTMENT EUROPE 2 BV | Formation | C | 100.00 | – | – |
| KERING INVESTMENTS EUROPE BV | | C | 100.00 | C | 100.00 |
| KERNIC-MET BV | | C | 100.00 | C | 100.00 |
| **Switzerland** | | | | | |
| LUXURY GOODS INTERNATIONAL SA | | C | 100.00 | C | 100.00 |
| LUXURY GOODS LOGISTICS SA | | C | 51.00 | C | 51.00 |
| LUXURY GOODS OPERATIONS SA | Merger | – | — | C | 51.00 |
| **Brazil** | | | | | |
| KERING BRASIL SERVICOS ADMINISTRATIVOS LTDA | | C | 100.00 | C | 100.00 |
| **Canada** | | | | | |
| KERING CANADA SERVICES INC | | C | 100.00 | C | 100.00 |
| **United States** | | | | | |
| 717 FIFTH AVE, LLC | Acquisition | C | 100.00 | – | — |
| KERING AMERICAS Inc. | | C | 100.00 | C | 100.00 |
| **Mexico** | | | | | |
| KERING MEXICO S. DE R.L. DE C.V. | | C | 100.00 | C | 100.00 |
| **Australia** | | | | | |
| KERING AUSTRALIA PTY Ltd | | C | 100.00 | C | 100.00 |
| **Greater China** | | | | | |
| ***Mainland China*** | | | | | |
| KERING INVESTMENT MANAGEMENT GROUP CO., LTD | | C | 100.00 | C | 100.00 |
| ***Hong Kong SAR*** | | | | | |
| KERING ASIA PACIFIC Ltd | | C | 100.00 | C | 100.00 |
| **South Korea** | | | | | |
| KERING KOREA LLC | | C | 100.00 | C | 100.00 |
| **Japan** | | | | | |
| KERING JAPAN Ltd | | C | 100.00 | C | 100.00 |
| KERING TOKYO INVESTMENT Ltd | | C | 100.00 | C | 100.00 |
| YUGEN KAISHA GUCCI | | C | 100.00 | C | 100.00 |
| **Malaysia** | | | | | |
| KERING SERVICES MALAYSIA SDN BHD | | C | 100.00 | C | 100.00 |
| **Singapore** | | | | | |
| KERING SOUTH EAST ASIA PTE Ltd | | C | 100.00 | C | 100.00 |
| **Thailand** | | | | | |
| KERING (THAILAND) LIMITED | Formation | C | 100.00 | – | – |
| **United Arab Emirates** | | | | | |
| KERING SERVICES MIDDLE EAST | | C | 100.00 | C | 100.00 |

# 2 - STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

**For the year ended December 31, 2024**

*This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.*

*This statutory auditors' report includes information specifically required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.*

*This report should be read in conjunction with, and construed in accordance with French law and professional auditing standards applicable in France.*

To the Kering S.A. General Shareholders' Meeting,

## Opinion

In compliance with the engagement entrusted to us by the Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Kering S.A. for the year ended December 31, 2024.

In our opinion, the consolidated financial statements present fairly, in all material respects, the assets and liabilities and the financial position of the Group as of December 31, 2024 and the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

## Basis for Opinion

### Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

### Independence

We conducted our audit in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors, for the period from January 1, 2024 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

## Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

### Impairment tests on goodwill and intangible assets with indefinite useful lives

*Notes 11, 12 and 33.12 to the consolidated financial statements*

| Risk identified | Our response |
|---|---|
| As of December 31, 2024, goodwill and brands are recorded on the balance sheet for a net carrying amount of €6,277 million and €8,366 million or 14.5% and 19.3% of the total consolidated balance sheet, respectively.<br>The Group tests the value of its assets for impairment by allocating them to cash-generating units (CGUs). The impairment tests are performed each year, or whenever events or circumstances indicate that an impairment loss is likely.<br>CGUs as defined by the Group represent the operating segments in which the Group's brands operate.<br>Impairment tests seek to determine whether the recoverable amount of a CGU is less than its net carrying amount. The recoverable amount of a CGU is the higher of its fair value less costs to sell and its value in use. The value in use is determined with respect to future cash flow projections, taking into account the time value of money and the specific risks attributable to the CGU.<br>Future cash flow projections are based on medium–term budgets and plans.<br>When the CGU's recoverable amount is less than its net carrying amount, an impairment loss is recognized. Impairment is charged first to goodwill and recognized under "Other non-recurring operating income and expenses" in the income statement.<br>Impairments tests carried out did not lead to the recognition of any impairment loss in 2024.<br>Given the significant amount of goodwill and brands in the consolidated balance sheet as at December 31, 2024 and the uncertainties inherent in certain assumptions, notably the probability of achieving forecasts used to calculate the recoverable amount, we considered the valuation of goodwill and intangible assets with indefinite lives to be a key audit matter. | We performed a critical review of the methodology applied by the Group to carry out the impairment tests.<br>Our procedures consisted in, for the CGU with a risk of impairment loss:<br>• examining the items comprising the carrying amount of the CGUs to which the goodwill and brands have been allocated by the Group;<br>• reviewing the consistency of cash flow projections with Management assumptions and the economic environments in which the Group operates;<br>• assessing the consistency of the long-term growth rates adopted for projected cash flows with external analyses;<br>• assessing the reasonableness of discount rates applied to estimated cash flows, with the help of our valuation experts;<br>• comparing cash flow projections of the previous year with corresponding actual cash flows to assess their reliability;<br>• performing sensitivity analyses of the recoverable amount to a reasonable change in the long-term growth rate and discount rates used by Management;<br>• confirming that Notes 11 and 12 to the consolidated financial statements provide appropriate disclosures. |

### Valuation of inventory impairment

Notes 17 and 33.18 tot the consolidated financial statements

| Risk identified | Our response |
|---|---|
| As of December 31, 2024, inventories appear on the consolidated balance sheet for a net amount of €3,992 million and represent 9.2% of consolidated assets, including inventory allowances of €1,467 million.<br>As disclosed in Note 33.18 to the consolidated financial statements, the cost of inventories is determined according to the weighted average cost method for all of the Group's businesses.<br>An inventory impairment loss was recorded based on the prospects of inventory clearance, obsolescence and damage.<br>Given the significant amount of inventories in the consolidated balance sheet as of December 31, 2024, and the degree of judgment inherent in certain assumptions underlying the valuation of inventory depreciation, namely related to sales projections or obsolescence, we considered this topic to be a key audit matter. | Our procedures consisted in:<br>• assessing the methods used to value inventory impairment;<br>• examining the data and assumptions adopted by Management to write down inventories with regard to their aging and future clearance;<br>• assessing the consistency of the impairment rates adopted in comparison with other players in the Group's business sectors. |

## Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report as its fair presentation and its consistency with the consolidated financial statements.

## Other Legal and Regulatory Verifications or Information

### Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the responsibility of the Chairman and Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No. 2019/815 of December 17, 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

### Appointment of the Statutory Auditors

We were appointed statutory auditors of Kering S.A. by the Shareholders' Meeting of May 18, 1994 for Deloitte & Associés, and of April 28, 2022 for PricewaterhouseCoopers Audit.

As of December 31, 2024, Deloitte & Associés was in its 31st year of uninterrupted engagement and PricewaterhouseCoopers Audit in its 3rd year.

## Responsabilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease its operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

## Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

### Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified by Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

## Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) Number 537/2014, confirming our independence pursuant to the rules applicable in France such as they are set in particular by Articles L. 821-27 to L. 821-34 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

| PricewaterhouseCoopers Audit | | Deloitte & Associés | |
|---|---|---|---|
| Camille Phelizon | Patrice Morot | David Dupont-Noel | Bénédicte Margerin |

# 3 - KERING SA ANNUAL FINANCIAL STATEMENTS

## 3.1 Balance sheet – Assets as of December 31, 2024 and 2023

| | | 2024 | | | 2023 |
|---|---|---|---|---|---|
| *(in € millions)* | **Notes** | **Gross** | **Depreciation, amortization and provisions** | **Carrying amount** | **Carrying amount** |
| Non-current assets | | | | | |
| Investments | | 16,536 | (1,660) | 14,876 | 13,877 |
| Other long-term investments | | 1,448 | (151) | 1,297 | 1,418 |
| **Total investments** | **3** | **17,984** | **(1,811)** | **16,173** | **15,295** |
| Property, plant and equipment and intangible assets | 4 | 783 | (354) | 429 | 424 |
| **Total non-current assets** | | **18,767** | **(2,165)** | **16,602** | **15,719** |
| Current assets | | | | | |
| Receivables[1] | 5 | 355 | (1) | 354 | 517 |
| Marketable securities | 6 | 121 | (21) | 100 | 96 |
| Cash[1] | 6 | 3,268 | 0 | 3,268 | 2,126 |
| **Total current assets** | | **3,744** | **(22)** | **3,722** | **2,739** |
| ASSETS | | 22,511 | (2,187) | 20,324 | 18,458 |
| [1] o/w concerning associates: | | | | 3,469 | 2,393 |

## 3.2 Balance sheet – Equity and liabilities as of December 31, 2024 and 2023

| *(in € millions)* | **Notes** | **2024** | **2023** |
|---|---|---|---|
| Equity | | | |
| Share capital | | 494 | 494 |
| Additional paid-in capital | | 1,381 | 1,381 |
| Reserves | 7 | 1,345 | 1,345 |
| Retained earnings | | 2,875 | 2,427 |
| Net income for the year | | 1,413 | 1,855 |
| **Total equity** | | **7,508** | **7,502** |
| **Provisions** | **8** | **258** | **66** |
| Liabilities | | | |
| Bond issues[1] | 9.1 | 11,907 | 9,852 |
| Other borrowings[1][2] | 9.1 | 173 | 130 |
| Other liabilities[2] | 10 | 478 | 908 |
| **Total liabilities** | | **12,558** | **10,890** |
| TOTAL EQUITY AND LIABILITIES | | 20,324 | 18,458 |
| [1] o/w due in more than one year: | | 10,407 | 9,351 |
| [2] o/w concerning associates: | | 127 | 153 |

## 3.3 Income statement

### For the years ended December 31, 2024 and 2023

| *(in € millions)* | Notes | 2024 | 2023 |
|---|---|---|---|
| Operating income | | 676 | 653 |
| Operating expenses | | (753) | (718) |
| **Net operating loss** | **12** | **(77)** | **(64)** |
| Dividends | | 1,966 | 1,888 |
| Other financial income and expenses | | (280) | (110) |
| **Financial result** | **13** | **1,686** | **1,778** |
| **Recurring income before tax** | | **1,609** | **1,714** |
| Net non-recurring income (expense) | 14 | (275) | 63 |
| Employee profit-sharing | | (7) | (8) |
| Income taxes | 15 | 86 | 86 |
| **Net income for the year** | | **1,413** | **1,855** |

## 3.4 Statement of cash flows

### For the years ended December 31, 2024 and 2023

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Dividends received | 1,966 | 1,888 |
| Interest on borrowings | (294) | (148) |
| Income tax (paid) received | 66 | 189 |
| Other | 181 | 33 |
| **Net cash flow resulting from operating activities** | **1,919** | **1,962** |
| (Acquisitions) disposals of operating assets | (114) | (122) |
| Change in long-term investments | (1,031) | (5,041) |
| **Net cash flow resulting from investing activities** | **(1,145)** | **(5,163)** |
| Net change in borrowings | 2,085 | 5,674 |
| Share capital increases | – | – |
| Dividends paid by Kering | (1,716) | (1,712) |
| **Net cash flow resulting from financing activities** | **369** | **3,962** |
| **Change in cash and cash equivalents** | **1,143** | **761** |
| **Cash and cash equivalents at beginning of year** | **2,126** | **1,365** |
| **Cash and cash equivalents at end of year** | **3,268** | **2,126** |

## 3.5 Statement of changes in equity

| *(in € millions)*<br>*(before appropriation of net income)* | Number of shares | Share capital | Additional paid-in capital | Reserves and retained earnings | Net income for the year | Equity |
|---|---|---|---|---|---|---|
| **As of December 31, 2022** | **124,070,778** | **496** | **1,711** | **3,930** | **1,552** | **7,689** |
| Appropriation of 2022 net income | – | – | – | 1,552 | (1,552) | – |
| Dividends paid | – | – | – | (1,154) | – | (1,154) |
| Interim dividend | – | – | – | (555) | – | (555) |
| Share capital increase | — | – | – | – | – | – |
| Share capital reduction | (650,000) | (2) | (330) | – | – | (332) |
| Employee share ownership | – | – | — | – | – | — |
| Cancellation of shares | – | – | — | – | – | — |
| Changes in tax-driven provisions | – | – | – | – | – | – |
| 2023 net income | – | – | – | – | 1,855 | 1,855 |
| **As of December 31, 2023** | **123,420,778** | **494** | **1,381** | **3,772** | **1,855** | **7,502** |
| Appropriation of 2023 net income | – | – | – | 1,855 | (1,855) | – |
| Dividends paid | – | – | – | (1,160) | – | (1,160) |
| Interim dividend | – | – | – | (247) | – | (247) |
| Share capital increase | – | – | – | – | – | – |
| Share capital reduction | — | — | — | – | – | — |
| Employee share ownership | – | – | – | – | – | – |
| Cancellation of shares | – | – | – | – | – | – |
| Changes in tax-driven provisions | – | – | – | – | – | – |
| 2024 net income | – | – | – | – | 1,413 | 1,413 |
| **As of December 31, 2024** | **123,420,778** | **494** | **1,381** | **4,220** | **1,413** | **7,508** |

As of December 31, 2024, Kering's share capital comprised 123,420,778 shares with a par value of €4.00 each.

## 3.6 Notes to the annual financial statements

# NOTE 1 – 2024 HIGHLIGHTS

On March 5, 2024, Kering carried out a dual-tranche bond issue for a total amount of €1.75 billion, consisting of a €1 billion tranche with an 8-year maturity and a 3.375% coupon and a €750 million tranche with a 12-year maturity and a 3.625% coupon.

On April 8, 2024, Kering redeemed €500 million of maturing bonds.

On November 14, 2024, Kering issued €750 million of 10-year bonds with a coupon of 3.625%

These issues form part of the Group's active liquidity management, and increase its financial flexibility.

On July 18, 2024, Kering signed a new €3 billion syndicated credit facility maturing in July 2029 and including two extension options of one year each. This new facility replaced the existing €2.385 billion facility, which was canceled on the same day.

# NOTE 2 – ACCOUNTING POLICIES AND METHODS

The annual financial statements are prepared in accordance with regulation No 2014-03 of the French accounting standards authority (*Autorité des normes comptables* – ANC).

## 2.1 Intangible assets and property, plant and equipment

Property, plant and equipment and intangible assets are recorded in the balance sheet at their acquisition cost, which includes all expenses that can be directly attributed to them and that are necessary for them to operate or be brought into service. Depreciation and amortization are calculated using the straight-line method based on the nature and useful life of each component.

Property, plant and equipment are depreciated and intangible assets are amortized using the straight-line method and the following useful lives:

| | |
|---|---|
| Software | 1 to 5 years |
| Internally generated software | 3 to 10 years |
| Improvements to property | 10 to 24 years |
| Technical installations, tools and equipment | 10 to 15 years |
| Computer equipment | 1 to 10 years |
| Office furniture | 10 years |

## 2.2 Long-term investments

### Investments

Securities classified as “Investments” are those considered necessary for the Company's activities, particularly because they provide the Company with influence over, or control of, the issuer.

The Company recognizes acquisition expenses in the cost price of investments, in accordance with the standard method under French generally accepted accounting principles.

As of the end of the reporting period, the gross value of investments is compared to their recoverable value for the Company, determined with reference to the subsidiary's estimated economic value and taking into consideration the purpose of the original transaction. Recoverable value is determined using a multi-criteria approach based on future cash flow projections, the revised asset value, the share of consolidated or revalued shareholders' equity, and other methods.

An impairment loss is recorded when this value falls below the gross value.

A provision for liabilities and charges may be recorded if necessary to cover the subsidiary's negative net worth.

### Other long-term investments

Other long-term investments include other investments and certain treasury shares.

#### Other investments (excluding treasury shares)

Other investments are investments that the Company plans or is required to hold on a long-term basis, but which are not deemed necessary for the Company's activities.

The gross amount of these investments is equal to the acquisition cost plus any related acquisition fees.

An impairment loss is recognized based on the value in use of these securities to the Company.

#### Treasury shares

Treasury shares acquired under liquidity agreements are recorded under “Other long-term investments”. These shares are written down where necessary to reflect the average share price over the last month of the fiscal year.

Treasury shares acquired for the express purpose of being used in a future capital reduction are also classified under “Other long-term investments”. These shares are not written down to reflect the share price.

Treasury shares are measured according to the first-in, first-out (FIFO) method.

## 2.3 Receivables

Receivables are recorded in the balance sheet at their nominal value and are written down where they present a risk of non-recovery.

## 2.4 Marketable securities and negotiable debt securities

### Treasury shares

Treasury shares acquired for the express purpose of being subsequently granted to employees under stock option plans and free share plans are recorded under “Marketable securities”. No impairment is recognized on treasury shares to reflect the share price.

Treasury shares are measured according to the first-in, first-out (FIFO) method.

### Other shares

Shares are recorded at their acquisition cost. An impairment loss is recognized when their closing price falls below their carrying amount.

### Bonds

Bonds are recorded on the acquisition date at their par value adjusted for any premium or discount. Accrued interest as of the acquisition date and as of the end of the reporting period is recorded in an accrued interest account.

As of the end of the reporting period, the cost of the bonds is compared to the market value of the principal over the last month of the year, excluding accrued interest. An impairment loss is recorded when this value falls below the gross value.

### Mutual funds (SICAV)

Units in SICAV mutual funds are recorded at their acquisition cost excluding subscription fees, and their net asset value is estimated as of the end of the reporting period. A provision for impairment is recorded in respect of any unrealized capital losses. No unrealized capital gains are recognized.

### Negotiable certificates of deposit, certificates of deposit and notes issued by financing companies

Negotiable debt securities are subscribed on the primary market or purchased on the secondary market. They are recorded at acquisition cost less accrued interest as of the acquisition date when purchased on the secondary market.

Prepaid interest is recognized as financial income on a proportional basis for the fiscal year.

## 2.5 Foreign currency transactions

Income and expenses denominated in foreign currencies are recorded at their euro-equivalent value on the transaction date. Borrowings, receivables and liquidity positions denominated in foreign currencies are translated at the closing exchange rate. In the case of foreign currency hedging, borrowings and receivables are translated at the hedging rate.

Any translation differences resulting from the valuation of foreign currency borrowings and receivables are recorded in accrual accounts, as an asset for unrealized losses and as a liability for unrealized gains. A contingency provision is recorded to cover any unhedged unrealized losses. Where borrowings and receivables are hedged by financial instruments, any foreign currency gains or losses are recorded in the income statement when the hedged item is settled.

## 2.6 Bond issue and capital increase fees – Bond redemption premiums

Bond issue fees are recognized as of the issue date.

Costs associated with increases in capital, mergers or restructuring are charged against the additional paid-in capital arising from the merger or restructuring.

Bonds are recorded at their par value.

Any issue or redemption premiums are assigned to the relevant balance sheet item and amortized over the term of the bond.

For convertible bonds, the redemption premium is recognized over the term of the bond.

## 2.7 Provisions

Provisions are recognized in accordance with CNC regulation No 2000.06. Provisions for liabilities and charges mainly concern risks and disputes of a financial or social nature.

They include pension and other employee benefit obligations pursuant to ANC recommendation No 2013-02.

Under defined benefit plans, obligations are valued using the projected unit credit method based on agreements in effect in the Company. Under this method, each period of service gives rise to an additional unit of benefit entitlement and each unit is measured separately to build up the final obligation. The obligation is then discounted. The actuarial assumptions used to determine the obligations vary depending on economic conditions.

These benefit obligations are assessed by independent actuaries on an annual basis. The valuations take into account the level of future compensation, the probable active life of employees, life expectancy and staff turnover.

Kering applies CRC notice No 2008-17 of November 6, 2008, on the accounting treatment of stock option and employee free share plans.

## 2.8 Tax consolidation

Kering has set up a tax consolidation group in France with several sub-groups and subsidiaries.

Each subsidiary recognizes a tax expense for the amount of tax it would have paid on a stand-alone basis. The tax savings generated by the Group as a result of tax consolidation are retained by Kering SA as the parent company of the tax consolidation group.

# NOTE 3 – LONG-TERM INVESTMENTS

| *(in € millions)* | As of Dec. 31, 2023 | Increase | Decrease | Reclassification | As of Dec. 31, 2024 |
|---|---|---|---|---|---|
| **Gross value** | | | | | |
| **Investments** | **15,533** | **1,304** | **—** | **(300)** | **16,536** |
| Kering Holland NV[1] | 12,898 | 1,278 | – | – | 14,176 |
| Marothi merger loss[2] | 344 | – | – | – | 344 |
| Redcats | 1,777 | – | – | – | 1,777 |
| Discodis[3] | 300 | – | – | (300) | — |
| Yves Saint Laurent SAS | 157 | – | – | – | 157 |
| Other | 57 | 25 | — | – | 82 |
| **Other long-term investments** | **1,541** | **262** | **(355)** | **—** | **1,448** |
| Treasury shares (liquidity agreement) | 3 | 198 | (201) | – | — |
| Treasury shares (for cancellation) | — | – | — | – | – |
| Treasury shares (share buyback program) | 374 | 7 | (111) | — | 270 |
| PUMA | 19 | – | (19) | – | — |
| Sapardis merger loss | 1 | – | (1) | – | — |
| Investments in funds | 14 | – | – | – | 14 |
| Loans and accrued interest on loans[4] | 1,106 | 57 | — | – | 1,163 |
| Deposits and guarantees | 1 | – | – | – | 1 |
| Other | 23 | – | (23) | – | — |
| **Gross value** | **17,074** | **1,565** | **(355)** | **(300)** | **17,984** |
| **Impairment losses** | | | | | |
| **Investments** | **(1,656)** | **(9)** | **5** | **-** | **(1,660)** |
| Redcats | (1,649) | – | 5 | – | (1,644) |
| Immo France 1 | — | (9) | — | – | (9) |
| Other | (7) | – | – | – | (7) |
| **Other long-term investments** | **(123)** | **(51)** | **23** | **-** | **(151)** |
| Treasury shares | (100) | (51) | — | – | (151) |
| Investments in funds | – | – | – | – | – |
| Other | (23) | – | 23 | – | — |
| **Impairment losses** | **(1,779)** | **(60)** | **28** | **-** | **(1,811)** |
| **Carrying amount** | **15,295** | | | | **16,173** |

(1) Capital increase by Kering Holland NV to finance the acquisition of the Milan building.

(2) The Financière Marothi merger loss was allocated to the KHNV shares. Changes in the underlying assets did not give rise to recognition of an impairment.

(3) All of the assets and liabilities of Discodis were transferred to Kering SA in 2024, resulting in a merger gain of €20.4 million, which was recognized under financial result.

(4) In 2024, loans included a USD 200 million loan and two loans of £400 million to Kering Finance.

## Treasury share transactions

In 2024, the Group purchased 647,706 shares and sold 654,456 shares under the liquidity agreement.

No stock subscription options were exercised during 2024.

Since May 26, 2004, Kering has maintained agreements with a broker in order to improve the liquidity of the Group's shares and ensure share price stability. The latest agreement was signed on February 13, 2019, in accordance with AMF ruling No 2018-01 of July 2, 2018, applicable since January 1, 2019. An amendment to that agreement came into force on July 1, 2021, providing for the resources in the liquidity account to be reduced by €25 million. As a result, there has been €25 million in the liquidity account since July 1, 2021.

As of December 31, 2024, Kering no longer held any shares under the liquidity agreement, and as of December 31, 2023 it held 6,750 shares.

## Share Buyback Program

The Share Buyback Program was completed on December 15, 2022. Between August 25, 2021, and December 15, 2022, the Company repurchased 2.6 million shares. Of those, 1,700,000 shares have already been canceled.

# NOTE 4 – PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Movements in property, plant and equipment and intangible assets are presented below:

| *(in € millions)* | Gross | Depreciation and impairment | Dec. 31, 2024 Net | Dec. 31, 2023 Net |
|---|---|---|---|---|
| Intangible assets | 732 | (327) | 405 | 398 |
| Property, plant and equipment | 51 | (27) | 24 | 26 |

### Changes in non-current assets

| *(in € millions)* | Carrying amount as of January 1 | Acquisitions | Disposals/ retirements | Depreciation and amortization | Reversals of depreciation and amortization | Carrying amount as of December 31 |
|---|---|---|---|---|---|---|
| Intangible assets[(1)] | 398 | 112 | – | (105) | – | 405 |
| Property, plant and equipment | 26 | 2 | – | (4) | – | 24 |
| TOTAL | 424 | 114 | – | (109) | – | 429 |

(1) Acquisitions in the period mainly concern IT projects for the Group.

# NOTE 5 – RECEIVABLES

These line items break down as follows:

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Tax consolidation current accounts | 7 | 19 |
| Income tax benefit | 48 | 147 |
| Group customers | 172 | 226 |
| Bond issue premiums | 39 | 34 |
| Other | 68 | 65 |
| Prepaid expenses[1] | 20 | 25 |
| TOTAL | 354 | 516 |
| o/w concerning associates: | 201 | 267 |

(1) Prepaid expenses mainly comprise fees, lease payments and insurance premiums.

# NOTE 6 – MARKETABLE SECURITIES AND CASH

These line items break down as follows:

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Treasury shares granted | 48 | 73 |
| Treasury shares pending employee grants | 26 | — |
| Mutual funds (Sicav) | 26 | 23 |
| **Marketable securities** | **100** | **96** |
| Bank deposits and fund transfers | – | — |
| Cash current accounts | 3,268 | 2,126 |
| **Cash** | **3,268** | **2,126** |
| CASH AND CASH EQUIVALENTS | 3,368 | 2,222 |
| o/w concerning associates: | 3,268 | 2,126 |

Bank deposits include certificates of deposit and term deposits and accounts with a maturity of less than three months.

# NOTE 7 – RESERVES

The Company's reserves before the appropriation of net income break down as follows:

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Legal reserve | 51 | 51 |
| Tax-driven reserves | 1,294 | 1,294 |
| Other reserves | – | – |
| **Reserves** | **1,345** | **1,345** |
| Tax-driven provisions | – | – |
| TOTAL | 1,345 | 1,345 |

# NOTE 8 – PROVISIONS

| *(in € millions)* | Dec. 31, 2023 | Additions | (utilized provisions) | (surplus provisions) | Dec. 31, 2024 |
|---|---|---|---|---|---|
| Disputes | — | – | – | — | – |
| Risks relating to subsidiaries | 14 | 195 | – | – | 209 |
| Pensions and other employee benefit obligations | 11 | 2 | (1) | – | 12 |
| Share plans | 39 | 23 | (27) | — | 35 |
| Foreign exchange risk | 2 | 1 | – | (1) | 2 |
| TOTAL | 66 | 221 | (28) | (1) | 258 |
| o/w: | | – | – | – | |
| operating items | | 1 | (1) | (1) | |
| financing items | | 2 | – | (1) | |
| non-recurring items | | 219 | (27) | — | |

The accounting principles relating to provisions for subsidiary risks are described in Note 2.2.

The main actuarial assumptions used to determine pensions and other employee benefit obligations are:
- Discount rate of 3.75% in 2024 as opposed to 4.5% in 2023;
- Salary increase rate of 2.50%.

## 8.1 Free share grants

| | |
|---|---|
| Date of the Annual General Meeting | 4/25/2024 |
| Date of grant by the Board of Directors | 10/2/2024 |
| Provisional grants as of January 1, 2024 | 107,818 |
| Provisional grants during the period | 142,969 |
| Grants forfeited in 2024 | (35,327) |
| Final grants in 2023 | (14,762) |
| **Provisional grants as of Dec. 31, 2024 (in number of shares)** | **200,698** |
| **Amount of the liability on the balance sheet (in €)** | **35,751,285** |

The unit value of the 2024 provisional free share grants is €237.24.

# NOTE 9 – BORROWINGS

## Bonds

### Euro-denominated bond issues

| *(in € millions)* | Interest rate | Issue date | Hedge | Maturity | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|---|---|---|---|
| Bond issue[1] | 2.75% fixed | 4/8/2014 & 5/30/2014 & 6/26/2014 & 9/22/2015 & 11/5/2015 | – | 4/8/2024 | — | 500 |
| Bond issue[2] | 1.60% fixed | 4/16/2015 | – | 4/16/2035 | 50 | 50 |
| Bond issue[3] | 1.25% fixed | 5/10/2016 | – | 5/10/2026 | 500 | 500 |
| Bond issue[4] | 1.50% fixed | 4/5/2017 | – | 4/5/2027 | 300 | 300 |
| Bond issue[5] | 0.75% fixed | 5/13/2020 | – | 5/13/2028 | 600 | 600 |
| Bond issue[6] | 1.25% fixed | 5/5/2022 | – | 5/5/2025 | 750 | 750 |
| Bond issue[7] | 1.875% fixed | 5/5/2022 | – | 5/5/2030 | 750 | 750 |
| Bond issue[8] | 3.25% fixed | 2/27/2023 | – | 2/27/2029 | 750 | 750 |
| Bond issue[9] | 3.375% fixed | 2/27/2023 | – | 2/27/2033 | 750 | 750 |
| Bond issue[10] | 3.75% fixed | 9/5/2023 | – | 9/5/2025 | 750 | 750 |
| Bond issue[11] | 3.625% fixed | 9/5/2023 | – | 9/5/2027 | 750 | 750 |
| Bond issue[12] | 3.625% fixed | 9/5/2023 | – | 9/5/2031 | 1,000 | 1,000 |
| Bond issue[13] | 3.875% fixed | 9/5/2023 | – | 9/5/2035 | 1,300 | 1,300 |
| Bond issue[14] | 3.375% fixed & 3.625% fixed | 3/5/2024 | – | 3/5/2032 & 3/5/2036 | 1,750 | – |
| Bond issue[15] | 3.625% fixed | 11/14/2024 | – | 11/14/2034 | 750 | – |

(1) Issue price: bond issue on April 8, 2014, comprising 1,000 bonds with a par value of €100,000 each under the EMTN program, with 1,000 additional bonds issued on May 30, 2014, 1,000 additional bonds issued on June 26, 2014, 1,500 additional bonds issued on September 22, 2015, and 500 additional bonds issued on November 5, 2015, thereby raising the issue to 5,000 bonds.
Redemption: in full on April 8, 2024.

(2) Issue price: bond issue on April 16, 2015, comprising 500 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on April 16, 2035.

(3) Issue price: bond issue on May 10, 2016, comprising 5,000 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on May 10, 2026.

(4) Issue price: bond issue on April 5, 2017, comprising 3,000 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on April 5, 2027.

(5) Issue price: bond issue on May 13, 2020, comprising 6,000 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on May 13, 2028.

(6) Issue price: bond issue on May 5, 2022, comprising 7,500 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on May 5, 2025.

(7) Issue price: bond issue on May 5, 2022, comprising 7,500 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on May 5, 2030.

(8) Issue price: bond issue on February 27, 2023, comprising 7,500 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on February 27, 2029.

(9) Issue price: bond issue on February 27, 2023, comprising 7,500 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on February 27, 2033.

(10) Issue price: bond issue on September 5, 2023, comprising 7,500 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on September 5, 2025.

(11) Issue price: bond issue on September 5, 2023, comprising 7,500 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on September 5, 2027.

(12) Issue price: bond issue on September 5, 2023, comprising 10,000 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on September 5, 2031.

(13) Issue price: bond issue on September 5, 2023, comprising 13,000 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on September 5, 2035.

(14) Issue price: bond issue on March 5, 2024, comprising 17,500 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on March 5, 2036.

(15) Issue price: bond issue on November 14, 2024, comprising 7,500 bonds with a par value of €100,000 each under the EMTN program.
Redemption: in full on November 14, 2034.

### USD-denominated bond issues

| *(in € millions)* | Interest rate | Issue date | Hedge | Maturity | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|---|---|---|---|
| Bond issue[1] | 3.639% fixed | 5/27/2022 | - | 5/27/2027 | 193 | 181 |

(1) Issue price: bond issue on May 27, 2022, comprising 200 bonds with a par value of USD 1,000,000 each under the EMTN program, i.e. representing a total of USD 200 million.
Redemption: in full on May 27, 2027.

### GBP-denominated bond issues

| *(in € millions)* | Interest rate | Issue date | Hedge | Maturity | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|---|---|---|---|
| Bond issue[1] | 5.125% fixed | 11/23/2023 | - | 11/23/2026 | 482 | 460 |
| Bond issue[2] | 5% fixed | 11/23/2023 | - | 11/23/2032 | 482 | 460 |

(1) Issue price: bond issue on November 23, 2023, comprising 4,000 bonds with a par value of £100,000 each under the EMTN program, i.e. a total of £400 million.
Redemption: in full on November 23, 2026.

(2) Issue price: bond issue on November 23, 2023, comprising 4,000 bonds with a par value of £100,000 each under the EMTN program, i.e. a total of £400 million.
Redemption: in full on November 23, 2032.

The bonds issued between 2014 and 2017 within the scope of the EMTN program are all subject to a change-of-control clause entitling bondholders to request early redemption at par if Kering's rating is downgraded to non-investment grade following a change of control.

## 9.1 Breakdown by type

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| **Bonds** | **11,907** | **9,852** |
| Interest on bond issues | 173 | 130 |
| Bank overdrafts | 0 | 0 |
| **Other borrowings** | **173** | **130** |
| TOTAL | 12,080 | 9,982 |
| o/w concerning associates: | 0 | 0 |

As of December 31, 2024 and 2023, no borrowings were secured by collateral.

## 9.2 Breakdown by maturity

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Less than one year | 1,673 | 631 |
| One to five years | 3,575 | 4,291 |
| More than five years | 6,832 | 5,060 |
| TOTAL | 12,080 | 9,982 |

## 9.3 Net debt

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Borrowings | 12,080 | 9,982 |
| Cash | (3,268) | (2,126) |
| NET DEBT | 8,812 | 7,856 |

# NOTE 10 – OTHER LIABILITIES

These line items break down as follows:

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Tax consolidation current accounts | 45 | 175 |
| Dividends payable | 247 | 556 |
| Tax and employee-related liabilities | 47 | 60 |
| Other[1] | 139 | 117 |
| TOTAL | 478 | 908 |
| o/w concerning associates: | 127 | 153 |

(1) "Other" primarily includes liabilities to the Group, in an amount of €46.3 million.

# NOTE 11 – OFF-BALANCE SHEET COMMITMENTS

## 11.1 Interest-rate hedges

As part of the Group's policy of hedging interest rate risk, Kering sets up interest rate swaps in connection with certain borrowings.

No interest rate hedges were in place as of December 31, 2024.

## 11.2 Other off-balance sheet commitments

| *(in € millions)* | Dec. 31, 2024 | Dec. 31, 2023 |
|---|---|---|
| Endorsements and guarantees in favor of: | | |
| • associates | 320 | 355 |
| • third parties outside the Group[1] | 333 | 338 |
| **Endorsements and guarantees** | **653** | **693** |

(1) Of which €238 million of lease-related commitments in 2024.

## 11.3 Other commitments made to Kering

As of December 31, 2024, Kering SA had €3,800 million of unused confirmed lines of credit with a remaining time to expiry of more than one year.

# NOTE 12 – NET OPERATING LOSS

Net operating loss breaks down as follows:

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Group management fees | 207 | 200 |
| Revenue from investments | 6 | 10 |
| Other income[1] | 464 | 444 |
| Rent and related charges | (48) | (40) |
| Payroll expenses and taxes | (117) | (136) |
| Management fees | (71) | (67) |
| Other external expenses[2] | (513) | (469) |
| Income tax and other levies | (5) | (6) |
| TOTAL | (77) | (64) |
| o/w Directors' fees: | (1) | (1) |

(1) Other income mainly relates to IT services.
(2) Other external expenses mainly relate to IT services.

# NOTE 13 – FINANCIAL RESULT

Net financial income breaks down as follows:

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| **Net interest expense** | **(280)** | **(110)** |
| Expenses and interest on non-Group debt | (200) | (152) |
| Other financial income and expense | (80) | 42 |
| **Dividends** | **1,966** | **1,888** |
| Kering Holland NV | 1,950 | 1,870 |
| Kering Finance | 10 | 0 |
| YSL Couture | 6 | 15 |
| Other | 0 | 3 |
| TOTAL | 1,686 | 1,778 |
| o/w concerning associates: | | |
| Dividends | 1,966 | 1,885 |

# NOTE 14 – NET NON-RECURRING INCOME (EXPENSE)

Net non-recurring income (expense) breaks down as follows:

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Net proceeds from disposals/retirements of operating assets | 0 | 0 |
| Net proceeds from disposals of securities, impairment losses and related transactions | (268) | 55 |
| Cost of disputes, litigation and restructuring | (1) | (1) |
| Other non-recurring income (expense) | (6) | 9 |
| TOTAL | (275) | 63 |

The net non-recurring expense in 2024 mainly arose from net impairment of securities totaling €191 million and €81.7 million of losses on treasury shares.

# NOTE 15 – INCOME TAX BREAKDOWN

| *(in € millions)* | 2024 | 2023 |
|---|---|---|
| Tax on recurring income and employee profit-sharing | 4 | 38 |
| Tax on non-recurring income | — | 41 |
| | 4 | 79 |
| Tax with respect to previous years | (4) | (10) |
| Tax consolidation impact | 86 | 17 |
| TOTAL | 86 | 86 |

Under a tax consolidation agreement that came into effect on January 1, 1988, Kering pays the tax due by members of the tax consolidation group and fulfills all relevant tax obligations.

The tax consolidation group comprised 43 companies in 2024 and 36 in 2023.

# NOTE 16 – DEFERRED TAX ASSETS AND LIABILITIES

| *(in € millions)* | |
|---|---|
| **Deferred tax assets** | |
| Retirement termination benefits | 0.1 |
| **Deferred tax liabilities** | |
| Employee profit-sharing | 0.5 |
| TOTAL | (0.4) |

# NOTE 17 – OTHER INFORMATION

## 17.1 Average headcount

The Company had an average of 641 employees (568 managerial-grade employees (*cadres*) and 73 other employees) in 2024 compared to 745 in 2023.

## 17.2 Fees paid to Statutory Auditors

Statutory Auditors' fees recorded in the income statement are shown below:

| | Deloitte & Associés | | PwC | |
|---|---|---|---|---|
| *(in € thousands)* | **2024** | **2023** | **2024** | **2023** |
| Statutory audit of the parent company and consolidated financial statements | 1,028 | 866 | 727 | 666 |
| Sustainability fees | 398 | — | 398 | — |
| Non-audit missions and services[1] | 118 | 407 | 57 | 32 |
| TOTAL | 1,544 | 1,273 | 1,182 | 698 |

(1) The non-audit missions and services rendered by PwC and Deloitte & Associés to Kering SA and its fully-consolidated subsidiaries are mainly related to comfort letters.

## 17.3 Remuneration of the Board of Directors and the Executive Committee

In 2024, total compensation of €18.6 million was awarded (paid or provisioned) to the members of the Board of Directors and the Executive Committee who are employees of Kering SA, versus €20.1 million in 2023.

## 17.4 Consolidating company

Kering prepares the consolidated financial statements and is controlled by Artemis, which holds 42.34% of its capital and 59.34% of its voting rights. Artémis is wholly owned by Financière Pinault.

## 17.5 Transactions with related parties

The support agreement between Artémis and Kering signed on September 27, 1993, generated an expense of €5.8 million in 2024 compared with an expense of €6.7 million in 2023.

Other transactions with related parties were contracted at arm's length conditions. As a result, no additional disclosures are required pursuant to Article R. 183-198 11 of the French Commercial Code.

# NOTE 18 – SUBSEQUENT EVENTS

Kering SA paid an interim dividend of €2 per share on January 16, 2025, on positions established on the evening of January 15, 2025, pursuant to a decision by the Board of Directors on December 3, 2024.

On January 15, 2025, Kering and Ardian announced the signature of an investment agreement relating to three highly prestigious real-estate properties in Paris. The portfolio, owned by subsidiaries of Kering SA, comprises Hôtel de Nocé, located at 26 place Vendôme, and two buildings located on avenue Montaigne, at numbers 35-37 and 56.

Kering will transfer these assets to a newly created joint venture in which Kering SA will be a shareholder. Ardian, a world-leading private investment house, will hold 60% of this unique prime real-estate portfolio, with Kering retaining a 40% stake. Net proceeds for Kering will amount to €837 million.

This transaction is part of Kering's selective real-estate strategy, aimed at securing exceptional long-term retail locations for its Houses in the world's most emblematic luxury districts.

The deal is expected to close in the first quarter of 2025, pending the fulfillment of customary conditions for real-estate transactions.

# 3.7 Other information

## Subsidiaries and investments as of December 31, 2024

| *(in € thousands)* | | Share capital | Shareholder's equity excl. Share capital and net income | % of capital held | Carrying amount of shares *(in euros)* Gross | Carrying amount of shares *(in euros)* Net | Outstanding loans granted by the Company | Endorsements and guarantees given by the Company | Last published revenue excl. VAT | Last published net income (loss) | Dividends received by the Company during the year |
|---|---|---|---|---|---|---|---|---|---|---|---|
| I - DETAILED INFORMATION | | | | | | | | | | | |
| **A – Subsidiaries (more than 50%-owned and representing over 1% of the share capital)** | | | | | | | | | | | |
| Kering Leather Lab | France | 12,000 | (11) | 100.00 | 12,000 | 12,000 | | | | 161 | |
| Kering Holland NV | Netherlands | 108,312 (1) | 7,638,703 (1) | 100.00 | 14,520,557 (3) | 14,520,557 (3) | | | | 2,981,341 (1) | 1,950,000 |
| Kering International(2) | United Kingdom | 14,384 (1) | 3,384 (1) | 100.00 | 14,773 | 14,773 | | | 3,952 (1) | 700 (1) | |
| Kering Studio | France | 380 | (74) | 100.00 | 6,510 | 297 | | | | 10 | |
| Immo France 1 | France | 8,999 | (3,769) | 100.00 | 8,999 | 0 | | | | (196,322) | |
| Redcats | France | 401 | 127,068 | 100.00 | 1,776,645 | 131,969 | | | | 4,500 | |
| Kering Capital | France | 20,710 | 47,297 | 100.00 | 20,475 | 20,475 | | | | 885 | |
| Lisythée | France | 20 | 0 | 100.00 | 20 | 20 | | | | 0 | |
| **Subtotal** | | | | | **16,359,978** | **14,700,089** | | | | | |
| **B – Investments (less than 50%-owned and representing over 1% of the share capital)** | | | | | | | | | | | |
| Climate fund for nature | France | 9,980 (1) | (1) | 49.99 (4) | 18,078 | 18,078 | | | | (179) (1) | |
| Yves Saint Laurent | France | 123,811 (1) | 147,432 (1) | 2.86 | 157,232 | 157,232 | | | 1,678,202 (1) | 370,253 (1) | 5,704 |
| **Subtotal** | | | | | **175,311** | **175,311** | | | | | |
| II – AGGREGATE INFORMATION | | | | | | | | | | | |
| **A – Subsidiaries not listed in I** | | | | | | | | | | | |
| French subsidiaries | | | | | 865 | 440 | | | | | |
| Non-French subsidiaries | | | | | | | | | | | |
| **B – Investments not listed in I** | | | | | | | | | | | |
| French investments | | | | | | | | | | | |
| Non-French investments | | | | | | | | | | | |
| TOTAL | | | | | 16,536,153 | 14,875,839 | | | | | |

(1) Based on accounts as of December 31, 2023.
(2) Based on the GBP exchange rate as of December 31, 2023.
(3) Including the Financière Marothi merger loss of €344,066 thousand.
(4) Data not available.
(5) This % is applicable as of 12/31/2024 on the basis of funds called to date.

## Payment terms for trade payables and trade receivables

Invoices received or issued and due but not settled at the end of the reporting period (table provided for in Article D. 441-4(I) of the French Commercial Code).

| | Article D. 441(I)(1): invoices received and due but not settled at the end of the reporting period | | | | | | Article D. 441(I)(2): Invoices issued and due but not settled at the end of the reporting period | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 0 days (indicative) | 1 to 30 days | 31 to 60 days | 61 to 90 days | 91 days and above | Total (1 or more days) | 0 days (indicative) | 1 to 30 days | 31 to 60 days | 61 to 90 days | 91 days and above | Total (1 or more days) |
| **(A) Days late** | | | | | | | | | | | | |
| Number of invoices | 366 | | | | | 170 | 482 | | | | | 241 |
| Total amount of invoices (excl. VAT) | 35,302,684 | -194,805 | 496,145 | 90,506 | 864,502 | 1,256,348 | 153,684,691 | 173,706 | 26,041 | 2,810,234 | 4,140,964 | 7,150,945 |
| As a % of total purchases for the reporting period (excl. VAT) | 6.81% | (0.04%) | 0.10 | 0.02% | 0.17% | 0.24% | | | | | | |
| As a % of revenue for the reporting period (excl. VAT) | | | | | | | 23.00% | – | —% | 0.43% | 0.63% | 1.09% |
| **(B) Invoices excluded from (A) – relating to contested or unrecognized payables or receivables** | | | | | | | | | | | | |
| Number of invoices excluded | N/A | | | | | | N/A | | | | | |
| Total amount of invoices excluded (excl. VAT) | N/A | | | | | | N/A | | | | | |
| **(C) Reference payment terms used (contractual or legal – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)** | | | | | | | | | | | | |
| Reference payment terms used to calculate late payments | Legal terms: 30 to 60 days | | | | | | Contractual terms: 30 days from date of invoice | | | | | |

**Legal terms:**

The payment term of sums due is set at 30 days following the date on which the goods are received, or on which the service is carried out.

Parties may make exceptions to this principle. However, the term agreed by the parties may not exceed 60 days or, as an exception, 45 days from the end of the month, as of the date of issue of the invoice.

The agreed payment term must be specified on the invoice and in the general terms and conditions of sale.

Invoices issued periodically (or summary invoices) must be paid within a maximum of 45 days from the date of issue.

Purchases of VAT-exempt goods and services delivered outside the European Union may be settled up to 90 days from the invoice date. The term must be indicated in the sales contract.

## 3.8 Five-year financial summary

| | 2024 | | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|---|
| **Share capital at year-end** | | | | | | |
| Share capital *(in €)* | 493,683,112 | | 493,683,112 | 496,283,112 | 498,771,664 | 500,071,664 |
| Number of ordinary shares outstanding | 123,420,778 | | 123,420,778 | 124,070,778 | 124,692,916 | 125,017,916 |
| Maximum number of potential shares to be issued | 0 | | 0 | 0 | 0 | 0 |
| by conversion of bonds | 0 | | 0 | 0 | 0 | 0 |
| by exercise of stock subscription options | 0 | | 0 | 0 | 0 | 0 |
| **Operations and results for the year** *(in € thousands)* | | | | | | |
| Income from operating activities | 226,896 | | 227,789 | 248,861 | 193,582 | 191,417 |
| Net income before tax, employee profit-sharing, depreciation, amortization and provisions | 1,131,898 | | 1,902,496 | 1,661,129 | 2,522,667 | 2,035,513 |
| Income tax (expense) benefit | 85,596 | | 86,441 | 48,000 | 231,694 | 83,711 |
| Employee profit-sharing for the year | 6,604 | | 7,617 | 8,589 | 7,098 | 1,292 |
| Net income after tax, employee profit-sharing, depreciation, amortization and provisions | 1,412,591 | | 1,855,171 | 1,552,045 | 2,769,080 | 2,079,582 |
| Dividend distribution | 740,525 | (1) | 1,727,891 | 1,736,991 | 1,371,622 | 1,000,143 |
| **Per share data** *(in €)* | | | | | | |
| Net income after tax, employee profit-sharing, but before depreciation, amortization and provisions | 9.17 | | 15.41 | 13.39 | 20.23 | 16.28 |
| Net income after tax, employee profit-sharing, depreciation, amortization and provisions | 11.45 | | 15.03 | 12.51 | 22.21 | 16.63 |
| Dividend: | | | 0.00 | 0.00 | 0.00 | 0.00 |
| Net dividend per share[2] | 6.00 | (1) | 14.00 | 14.00 | 12.00 | 8.00 |
| **Employee data** | | | | | | |
| Average number of employees during the year | 641 | | 745 | 618 | 536 | 493 |
| Total annual payroll *(in € thousands)* | 63,699 | | 67,017 | 56,877 | 60,030 | 76,731 |
| Total employee benefits paid during the year (social security, employee benefits, etc.) *(in € thousands)* | 42,512 | | 40,235 | 41,742 | 36,828 | 38,490 |

(1) Subject to approval by the Annual General Meeting.
Including an interim dividend of €2 per share paid on January 16, 2025.

(2) Pursuant to Article 243 bis of the French Tax Code (*Code général des impôts*), the full amount of the dividend paid to individuals who are tax residents in France qualifies for the 40% tax credit provided under Article 158-3(2) of said Code.

# 4 - STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

**For the year ended December 31, 2024**

*This is a translation into English of the Statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.*

*This Statutory auditors' report includes information required by French law, such as information about the appointment of the Statutory auditors or verification of the Management Report and other documents provided to shareholders.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Kering S.A. General Shareholders' Meeting,

## Opinion

In compliance with the engagement entrusted to us by the Shareholders' Meeting, we have audited the accompanying financial statements of Kering SA for the year ended December 31, 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

## Basis for Opinion

### Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

### Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie)* for statutory auditors, for the period from January 1, 2024 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5, paragraph 1, of Regulation (EU) No 537/2014.

## Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

### Valuation of long-term investments

Notes 2.2, 3 and 8 to the financial statements

| Risk Identified | Our response |
|---|---|
| Long-term investments, appearing on the balance sheet as of December 31, 2024 for a gross amount of €16 536 million and a net amount of €14 876 million represent the most significant balance sheet item. They are recognized at their date of entry at acquisition cost, including acquisition expenses.<br>As indicated in Note 2.2 to the financial statements, at year-end, the gross amount of investments is compared to their value in use for the Company, determined with reference to the subsidiary's estimated economic value and taking into consideration the purpose of the original transaction. Value in use is determined using a multi-criteria approach based on future cash flow projections and the share of consolidated or revalued shareholders' equity. Other methods are used when necessary. An impairment loss is recorded when this value falls below the gross value. An additional provision is made in the event of negative equity.<br>Notes 3 and 8 to the financial statements show the following recognized impacts for the year: a net impairment of long-term investments of €4 million and a provision for subsidiary risks (net negative equity) of €195 million.<br>Given the materiality of long-term investments on the balance sheet, and the estimates and assumptions used to determine value in use, we considered the valuation of long-term investments to be a key audit matter. | To assess the reasonableness of the estimated values in use of long-term investments, based on the information communicated to us, our work mainly consisted in:<br>• verifying that the estimated values in use determined by Management are based on an appropriate justification of the valuation method and the figures used;<br>• ensuring that the net carrying amounts of the investments are below their value in use, taking into account the share of consolidated or revalued shareholders' equity, cash flows projections, latest available forecasted information, and the profitability outlook. |

## Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

### Information presented in the Management Report and in the other documents with respect to the financial position and the financial statements provided to shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (*Code de commerce*).

### Information relating to corporate governance

We attest that the section of the management report devoted to corporate governance sets out the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received by or awarded to the members of the Board of Directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled enterprises included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (*Code de commerce*), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

### Other Information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders or holders of the voting rights has been properly disclosed in the management report.

## Other Legal and Regulatory Verifications or Information

### Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code *(Code monétaire et financier*), prepared under the responsibility of the Chairman and Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

### Appointment of the Statutory Auditors

We were appointed as statutory auditors of Kering SA by the Shareholders' Meeting of May 18, 1994 for Deloitte & Associés and April 28, 2022 for PricewaterhouseCoopers Audit.

As at December 31, 2024, Deloitte & Associés was in its 31st year of uninterrupted engagement and PricewaterhouseCoopers Audit in its 3rd.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

## Statutory Auditors' Responsibilities for the Audit of the Financial Statements

### Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

## Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 821-27 to L. 821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

| **PricewaterhouseCoopers Audit** | | **Deloitte & Associés** | |
|---|---|---|---|
| Camille Phelizon | Patrice Morot | David Dupont-Noel | Bénédicte Margerin |

# 5 - STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS WITH THIRD PARTIES

**Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2024**

*This is a free translation into English of the Statutory Auditors' special report on regulated agreements with third parties issued in French and is provided solely for the convenience of English speaking readers.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Kering S.A. General Shareholders' Meeting,

In our capacity as Statutory Auditors of Kering S.A., we hereby report to you on regulated agreements with third parties.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R. 225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R. 225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

## Agreements submitted for the approval of the Shareholders' Meeting

### Agreements authorized and entered into during the year

We hereby inform you that we have not been advised of any agreements authorized and entered into during the year just ended that require the approval of the General Meeting pursuant to the provisions of Article L.225-38 of the French Commercial Code.

## Agreements previously approved by the shareholders' meeting

### Agreements approved in previous years that remained in force during the year

Pursuant to Article R. 225-30 of the French Commercial Code, we have been advised that the following agreement, approved in previous years by the Shareholders' Meeting, remained in force during the year.

***Support agreement for services provided by Artémis SAS***

Pursuant to the terms of a support agreement signed on September 27, 1993 between Kering SA and Artémis SAS, – it being specified that this company was converted from a public limited liability company (société anonyme) into a simplified limited liability company (société par actions simplifiée) on July 23, 2018 – Artémis SAS carries out research and advisory work for Kering SA in the following areas:

- strategy and development of the Kering SA Group and support in carrying out complex legal, tax, financial and real estate transactions;
- sourcing of business development opportunities in France and abroad or cost-cutting measures.

At its March 10, 1999 meeting, the Kering SA Supervisory Board authorized payment for these services amounting to 0.037% of consolidated net revenue (excluding VAT).

In line with the appropriate modifications to Kering SA's corporate governance rules, the Board of Directors decided on July 6, 2005, without amending the agreement in force since September 27, 1993, that the Kering SA Audit Committee would perform, in addition to the usual annual review of the existence and substance of the support provided by Artémis SAS to Kering SA, an annual assessment of the services and a fair price for the services, given the conveniences provided and the cost savings realized in the common interest.

The methods for assessing the contractually agreed amount were reviewed by the Audit Committee which, at its meeting of February 6, 2025, noted that Kering SA had continued to benefit, during 2024, from the advice and assistance of Artémis SAS on recurring topics including communications, public and institutional relations, as well as the development strategy and its implementation and access to a luxury environment (loans of artwork, access to premises).

At its February 10, 2025 meeting, the Board of Directors re-examined this agreement, and duly noted the payment of €5,840 thousand (excluding VAT) under this agreement in respect of 2024, it being specified that the revenue from Kering Eyewear and from discontinued operations were excluded from the calculation base of this fee, as was the case in previous years.

Persons concerned:

- Artémis SAS, a shareholder of Kering SA with more than 10% of the voting rights;
- François-Henri Pinault, Chairman and Chief Executive Officer of Kering SA, and Chairman of Artémis SAS;
- Héloïse Temple-Boyer, permanent representative of Financière Pinault SCA, Director of Kering SA and Deputy Managing Director of Artémis SAS.

Neuilly-sur-Seine and Paris-La Défense, March 5, 2025

The Statutory Auditors

French original signed by

| **PricewaterhouseCoopers Audit** | | **Deloitte & Associés** | |
|---|---|---|---|
| Camille Phelizon | Patrice Morot | David Dupont-Noel | Bénédicte Margerin |

# CHAPTER 7
# Investor information


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# 1 - CAPITAL

## 1.1 Share capital

### Share capital as of December 31, 2024

As of December 31, 2024, the share capital amounted to €493,683,112 and was divided into 123,420,778 shares [1] with a par value of €4 each (all of the same class), all fully paid up. The number of actual voting rights at the same date totaled 175,885,760 (after deducting treasury shares, which do not carry voting rights).

As of December 31, 2024, to the Company's knowledge:

- the directors directly held 0.03% of the share capital, representing 0.04% of the voting rights (after deducting treasury shares, which do not carry voting rights);
- the Company directly held 819,085 treasury shares, none of which were held under the liquidity agreement. None of the Company's shares were held by controlled companies.

### Share capital movements over the past three years

| Year | Description of transaction | Additional paid-in capital | Nominal amount of capital changes | Aggregate amounts of Company capital (as of Dec. 31) | Aggregate number of ordinary €4 shares (as of Dec. 31) | Aggregate number of voting rights[1] (as of Dec. 31) |
|---|---|---|---|---|---|---|
| **2024** | **—** | **—** | **—** | **€493,683,112** | **123,420,778** | **176,704,845** |
| 2023 | Capital reduction by cancellation of shares | €330,014,575 | €2,600,000 | €493,683,112 | 123,420,778 | 176,571,983 |
| 2022 | Capital reduction by cancellation of shares | €379,393,989 | €2,900,000 | €496,283,112 | 124,070,778 | 177,000,210 |
| | Capital increase reserved for employees | €38,264,850 | €411,448 | — | — | — |

[1] Total number of voting rights, including treasury shares.

## 1.2 Treasury shares held by the Company and its subsidiaries

### Acquisition of treasury shares by the Company

The Annual General Meeting of April 25, 2024, in its seventeenth resolution, authorized the Board of Directors to trade in Company shares for a period of 18 months in accordance with the goals and terms of the share buyback program filed with the AMF. This program specifies a maximum purchase price of €700 per share and states that the number of shares purchased may not exceed 10% of the share capital. This authorization canceled, for its unused portion, the authorization previously granted to the Board of Directors by the Annual General Meeting of April 27, 2023, under its ninth resolution.

The Board of Directors will propose to the Annual General Meeting of April 24, 2025, to renew this authorization under the same terms, notably for the purpose of canceling shares, granting shares to the Company's employees or corporate officers within the scope of free share or stock purchase option plans, ensuring liquidity and maintaining the Company's share price under a liquidity agreement, retaining shares and, where applicable, selling, transferring or exchanging them in external growth transactions.

### Liquidity agreement

Since May 26, 2004, Kering has maintained agreements with a broker in order to improve the liquidity of the Group's shares and ensure share price stability. The latest agreement was signed on February 13, 2019, in accordance with AMF ruling No 2018-01 of July 2, 2018, applicable since January 1, 2019. An amendment to that agreement came into force on July 1, 2021, providing for the resources in the liquidity account to be reduced by €25 million. As a result, there was €25 million in the liquidity account on July 1, 2021.

During 2024, Kering purchased 647,706 shares for an amount of €198 million, representing an average price of €305.06 per share. Similarly, Kering sold 654,456 shares for an amount of €200 million, representing an average price of €306.04 per share. As of December 31, 2024, Kering held no shares under this agreement. From January 1, 2025 to February 10, 2025, the Company purchased 73,175 shares at an average price of €243.19 per share and sold 73,175 shares at an average price of €243.11 per share under the liquidity agreement.

### Share buyback program

No transactions were carried out under the share buyback program in 2024, except for those executed under the ongoing liquidity contract (see above).

[1] Changes in the number of shares in issue are set out in chapter 6 (Kering SA annual financial statements, 3.5 - Statement of changes in equity).

# 1.3 Authorizations to issue securities giving access to the share capital

## Authorizations to issue shares or other securities in force as of December 31, 2024

Pursuant to the decisions of the Annual General Meetings of April 27, 2023 and April 25, 2024, the Board of Directors has the following authorizations:

| Description of authorization | Date of Annual General Meeting *(number of resolution)* | Period of validity *(expiry date)* | Maximum authorized nominal amount *(in € millions)* | Current use |
|---|---|---|---|---|
| **Share capital increases with preferential subscription rights maintained** | | | | |
| Share capital increase via the issue, with preferential subscription rights maintained, of shares and/or securities giving access, immediately and/or in the future, to shares or to debt securities | April 27, 2023 (11th) | 26 months (June 2025) | 200[1] | Unused |
| Share capital increase via the capitalization of reserves, profits or additional paid-in capital | April 27, 2023 (12th) | 26 months (June 2025) | 200[2] | Unused |
| **Share capital increases with preferential subscription rights canceled** | | | | |
| Share capital increase via the issue, with preferential subscription rights canceled, by public offering, of shares and/or securities giving access, immediately and/or in the future, to shares, including as payment for shares tendered to a public exchange offer, or to debt securities | April 27, 2023 (13th) | 26 months (June 2025) | 50[3] | Unused |
| Share capital increase via the issue, with preferential subscription rights canceled, via a public offering intended for certain investors, of shares and/or securities giving access, immediately and/or in the future, to equity or debt securities | April 27, 2023 (14th) | 26 months (June 2025) | 50[4][5] | Unused |
| Authorization to set the issue price for a share capital increase, with preferential subscription rights canceled, by public offering, including a public offering to certain investors, limited to 5% of the share capital per year | April 27, 2023 (15th) | 26 months (June 2025) | 5% of the share capital per year[3] | Unused |
| Share capital increase to pay for in-kind contributions, limited to 10% of the share capital | April 27, 2023 (17th) | 26 months (June 2025) | 10% of the share capital[5] | Unused |
| **Share capital increases with preferential subscription rights maintained or canceled** | | | | |
| Increase in the number of shares or securities to be issued within the scope of a share capital increase, with preferential subscription rights maintained or canceled, limited to 15% of the amount of the initial issue | April 27, 2023 (16th) | 26 months (June 2025) | 15% of the amount of the initial issue[3][6] | Unused |
| **Free awards of performance shares** | | | | |
| Free awards of existing shares and/or shares to be issued for the benefit of employees and executive corporate officers of the Group | April 25, 2024 (18th) | 38 months (June 2027) | 1% of the share capital | Used (see below) |
| **Share capital increase reserved for employees** | | | | |
| Capital increase reserved for eligible employees, former employees and corporate officers who are members of a company savings plan | April 25, 2024 (19th) | 26 months (June 2026) | 0.5% of the share capital[7] | Unused |
| Capital increase for the benefit of Group employees or certain categories of Group employees outside of France | April 25, 2024 (20th) | 18 months (October 2025) | 0.5% of the share capital[7] | Unused |
| **Share capital reductions through the cancellation of shares** | | | | |
| Authorization to reduce the share capital by canceling shares | April 27, 2023 (10th) | 24 months (April 2025) | 10% of the share capital per 24-month period | Used (see below) |

(1) This amount represents the maximum total nominal amount of capital increases that may take place under the authority granted by the 11th, 13th, 14th, 15th, 16th and 17th resolutions of the April 27, 2023 Annual General Meeting. The total nominal amount of capital increases taking place pursuant to those resolutions count toward that maximum amount.

(2) This amount may not exceed the overall €200 million limit determined by the 11th resolution of the April 27, 2023 Annual General Meeting.

(3) This amount counts toward the overall €200 million limit set under the 11th resolution of the April 27, 2023 Annual General Meeting.

(4) Limited by Article L. 225-136 of the French Commercial Code to 20% of the share capital per year in all cases.

(5) This amount counts toward the overall limit of €200 million and the sub-limit of €50 million determined by the 11th and 13th resolutions of the April 27, 2023 Annual General Meeting.

(6) Limited to 15% of the initial issuance carried out under the 11th, 13th and 14th resolutions and subject to the limit set in the resolutions pursuant to which the issues are decided, as well as the overall limit set in the 11th resolution of the April 27, 2023 Annual General Meeting.

(7) Common limit for capital increases taking place under the 19th and 20th of the April 25, 2024 Annual General Meeting.

In accordance with the authorization granted at the Annual General Meeting of April 27, 2023 in the 10th resolution, on October 31, 2023 the Chairman and Chief Executive Officer, acting by delegation of authority from the Company's Board of Directors, reduced the share capital by a nominal amount of €2,600,000 through the cancellation of 650,000 treasury shares resulting from the fourth and final tranche of the share buyback program announced on August 15, 2021 and finalized on December 15, 2022. This operation reduced the overall share capital to €493,683,112, divided into 123,420,778 shares with a par value of €4 each.

In addition, as part of free share plans implemented since 2020 within the Group and under the authorization granted by the Annual General Meeting of April 25, 2024, in its 18th resolution, the Board of Directors awarded a total of 221,159 shares on October 2, 2024, subject or not to performance conditions, to the executive corporate officer and certain Group employees, including 11,517 performance shares to the Chairman and Chief Executive Officer, 140,141 performance shares to Group employees, and 69,501 free shares to Group employees.

The other authorizations were not used during the year.

### Other securities giving access to the share capital

#### Special report on stock subscription and purchase options and free share grants

A free share plan was put in place on October 2, 2024 (see Note 6 to the consolidated financial statements, "Share-based payment").

#### Stock subscription and purchase option plans

No stock subscription and purchase option plans have been set up since 2007. As of December 31, 2024, there were no stock subscription or purchase options outstanding.

### Other rights giving access to the share capital

As part of the strategic partnership with the investment company Mayhoola [(1)], all or part of the price relating to the acquisition by Kering of the remaining 70% of Valentino may be paid, under the seller's option, in Kering shares, either existing or to be issued, in an amount not exceeding 3,000,000 shares.

### Changes in share capital and rights attached to shares

Any changes in the share capital or the rights attached to shares are governed by legal requirements and the specific provisions of the articles of Association as set out below.

Under Article 15 of the articles of Association, in the Company's internal organization, decisions by the Chief Executive Officer relating to the issue of securities, regardless of their nature, require the prior approval of the Board of Directors when such issues are likely to change the share capital.

## 1.4 Employee share ownership

As of December 31, 2024, Company and Group employees and executive corporate officers held 266,358 shares, representing 0.2% of the share capital, under the provisions of Article L. 225-102 of the French Commercial Code. This includes the 31,803 Company shares held by employees through the employee investment fund and the 92,767 shares owned by employees as part of the KeringForYou program. This employee share ownership program, implemented for the first time in 2022, gives eligible employees in several countries the opportunity to become Kering shareholders on preferential terms and thus have a direct interest in its development and future performance.

## 1.5 Appropriation of net income – Dividends paid by the Company

### Appropriation of net income

At its meeting of March 4, 2025, the Board of Directors decided to propose the following appropriation of net income to the shareholders at the Annual General Meeting:

| *(in €)* | |
|---|---|
| **Source** | |
| Retained earnings | 3,121,884,258.68 |
| Net income for the year | 1,412,591,389.08 |
| Total for appropriation | 4,534,475,647.76 |
| **Appropriation** | |
| Statutory reserve[(1)] | – |
| Dividend[(2)] | 740,524,668.00 |
| Retained earnings | 3,793,950,979.76 |
| Total | 4,534,475,647.76 |

(1) The amount of the statutory reserve has reached 10% of the share capital.
(2) Representing a dividend of €6 per share qualifying for the 40% tax allowance, payable on May 7, 2025. This amount corresponds to the interim dividend (€2 per share) paid on January 16, 2025 (€245,203,386) plus the final dividend of €4 per share, equal to €495,321,282 calculated on the basis of the maximum number of shares carrying dividend rights.

(1) See Note 15 of the consolidated financial statements — Investments in equity-accounted.

At the Annual General Meeting to be held on April 24, 2025, the Board of Directors will ask shareholders to approve a dividend of €6 in respect of 2024 for all shares carrying dividend rights as of January 1, 2024. An interim dividend of €2 per share was paid on January 16, 2025 pursuant to a decision made by the Board of Directors on December 3, 2024.

If this dividend is approved, the final dividend of €4 per share will have an ex-dividend date of May 5, 2025 and will be paid on May 7, 2025.

### Dividends paid out in respect of the past three fiscal years

The following dividends have been paid in respect of the past three fiscal years:

| Fiscal years | Net dividend | Qualifying for a tax allowance of |
|---|---|---|
| 2023 | €14.00 | 40% |
| 2022 | €14.00 | 40% |
| 2021 | €12.00 | 40% |

### Information on Dividend Taxation

Starting January 1, 2026, dividends paid to a person established in or tax resident of a state or territory that has signed a double tax treaty with France providing for no withholding tax on dividends or an exemption therefrom will be subject to withholding tax under French tax law. The beneficiary may obtain a refund if it can be demonstrated that they comply with all the conditions set out in the applicable double tax treaty to benefit from an absence or an exemption of withholding tax.

The other situations remain subject to the rules set out by French tax legislation on withholding taxes. To the best of our knowledge, and as of the publication date of this document, the rules governing dividend taxation remain unchanged, subject to any potential developments in the related compliance requirements.

## 1.6 Share pledges

As of December 31, 2024, 10,730,000 registered shares were pledged by the Artémis group.

| Registered shareholder *(direct registered)* | Beneficiary/ Security Agent | Pledge start date | Pledge expiry date | Pledge terms of release | Number of issuer's shares pledged | % of issuer's capital pledged[2] |
|---|---|---|---|---|---|---|
| Artémis | HSBC | 06/05/20 | Unspecified[1] | | 825,000 | 0.67% |
| Artémis | BRED | 07/19/2021 | Unspecified[1] | | 180,000 | 0.15% |
| Artémis | CA CIB | 06/27/2023 | Unspecified[1] | | 2,475,000 | 2.01% |
| Artémis | CA CIB | 09/26/2023 | Unspecified[1] | | 7,250,000 | 5.87% |

(1) Full reimbursement or payment of the receivable.
(2) Based on the share capital as of December 31, 2024, comprising 123,420,778 shares with a par value of €4 each.

## 1.7 Arrangements and agreements

To the Company's knowledge, there are no contractual arrangements or agreements involving shares or voting rights of the Company that should have been disclosed to the Financial Markets Authority (*Autorité des marchés financiers*) pursuant to Article L. 233-11 of the French Commercial Code.

# 2 - SHARE OWNERSHIP STRUCTURE

## 2.1 Change in share ownership and voting rights

| | As of December 31, 2024 | | | | |
|---|---|---|---|---|---|
| | Number of shares | % of share capital | No. of theoretical voting rights[3][4] | % of theoretical voting rights[3][4] | % of actual voting rights[5] |
| Artémis group | 52,251,576 | 42.34% | 104,367,928 | 59.06% | 59.34% |
| Treasury shares | 819,085 | 0.66% | 819,085 | 0.46% | 0.00% |
| Employees and executive corporate officers[1] | 266,358 | 0.22% | 482,426 | 0.27% | 0.27% |
| Free float[2] | 70,083,759 | 56.78% | 71,035,406 | 40.20% | 40.39% |
| TOTAL | 123,420,778 | 100.00% | 176,704,845 | 100.00% | 100.00% |

| | As of December 31, 2023 | | | | |
|---|---|---|---|---|---|
| | Number of shares | % of share capital | No. of theoretical voting rights[3][4] | % of theoretical voting rights[3][4] | % of actual voting rights[5] |
| Artémis group | 52,116,352 | 42.23% | 104,167,971 | 58.99% | 59.28% |
| Treasury shares | 840,597 | 0.68% | 840,597 | 0.48% | 0.00% |
| Employees and executive corporate officers[1] | 240,812 | 0.20% | 361,515 | 0.20% | 0.21% |
| Free float | 70,223,017 | 56.90% | 71,201,900 | 40.32% | 40.52% |
| TOTAL | 123,420,778 | 100.00% | 176,571,983 | 100.00% | 100.00% |

| | As of December 31, 2022 | | | | |
|---|---|---|---|---|---|
| | Number of shares | % of share capital | No. of theoretical voting rights[3][4] | % of theoretical voting rights[3][4] | % of actual voting rights[5] |
| Artémis group | 52,116,352 | 42.01% | 103,887,369 | 58.69% | 59.31% |
| Treasury shares | 1,850,408 | 1.49% | 1,850,408 | 1.05% | 0.00% |
| Employees and executive corporate officers[1] | 236,934 | 0.19% | 369,923 | 0.21% | 0.21% |
| Free float | 69,867,084 | 56.31% | 70,892,510 | 40.05% | 40.48% |
| TOTAL | 124,070,778 | 100.00% | 177,000,210 | 100.00% | 100.00% |

(1) Including Kering's employee investment fund.
(2) Shareholder notifications concerning the crossing of thresholds defined by law or in the articles of Association in 2024 are detailed in section 2.2 of the present chapter.
(3) Total number of voting rights (including treasury shares).
(4) Shares held for more than two years in a registered account in the name of the same shareholder carry double voting rights (see the section entitled "Annual General Meetings – Double voting rights" in chapter 8).
(5) Minus treasury shares that lose their voting rights in an Annual General Meeting.

Artémis is wholly owned by Financière Pinault, itself controlled by the Pinault family. Artémis holds 59.06% of the Company's theoretical voting rights (59.34% of the actual voting rights) and as such has de jure control of the Company within the meaning of Article L. 233-3-I of the French Commercial Code.

The Company has implemented mechanisms contributing toward maintaining an effective balance of power within its governance and detailed in section 1.3 "Balance of Power" of chapter 3 "Corporate governance" of this document.

## 2.2 Threshold crossing notifications

In accordance with Article L. 233-7 (I) of the French Commercial Code and Article 7 of the Company's articles of Association, the following threshold crossings have been disclosed during the 2024 financial year and up to March 4, 2025:

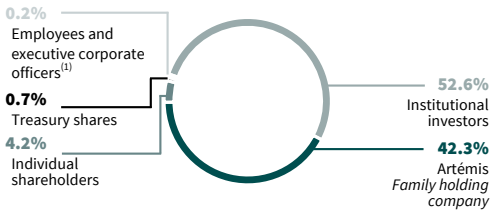
| Shareholders | Threshold crossing date | Number of shares | % of share capital | % of voting rights | Threshold crossed | Upward or downward threshold crossing |
|---|---|---|---|---|---|---|
| Harris Associates L.P | January 26, 2024 | 2,470,366 | 2.002% | 1.399% | 2% of share capital | Upward |
| Harris Associates L.P | February 15, 2024 | 2,464,429 | 1.997% | 1.396% | 2% of share capital | Downward |
| Harris Associates L.P | May 7, 2024 | 2,468,859 | 2.000% | 1.397% | 2% of share capital | Upward |
| Baillie Gifford & Co | June 4, 2024 | 3,467,723 | 2.810% | 1.963% | 2% of voting rights | Downward |
| Baillie Gifford & Co | August 20, 2024 | 2,336,997 | 1.894% | 1.322% | 2% of share capital | Downward |
| Parvus Asset Management Europe Ltd. | September 2, 2024 | 2,494,947 | 2.021% | 1.412% | 2% of share capital | Upward |
| Parvus Asset Management Europe Ltd. | September 20, 2024 | 3,556,387 | 2.882% | 2.013% | 2% of voting rights | Upward |
| Parvus Asset Management Europe Ltd. | September 30, 2024 | 3,347,463 | 2.712% | 1.894% | 2% of voting rights | Downward |
| Parvus Asset Management Europe Ltd. | October 16, 2024 | 3,604,502 | 2.920% | 2.040% | 2% of voting rights | Upward |
| Citigroup Inc. | October 24, 2024 | 6,215,028 | 5.036% | 3.517% | 5% of share capital | Upward |
| Citigroup Inc.[(1)] | October 25, 2024 | 6,230,459 | 5.048% | 3.526% | 5% of share capital | Upward |
| Citigroup Inc. | October 31, 2024 | 6,164,296 | 4.995% | 3.488% | 5% of share capital | Downward |
| Harris Associates L.P | November 13, 2024 | 3,539,097 | 2.868% | 2.003% | 2% of voting rights | Upward |
| Citigroup Inc. | November 22, 2024 | 2,864,245 | 2.321% | 1.621% | 4% of share capital and 2% of voting rights | Downward |
| Citigroup Inc. | December 9, 2024 | 2,311,500 | 1.873% | 1.308% | 2% of share capital | Downward |
| Citigroup Inc. | December 9, 2024 | 2,755,816 | 2.233% | 1.560% | 2% of share capital | Upward |
| Citigroup Inc. | January 10, 2025 | 5,878,001 | 4.763% | 3.326% | 4% of share capital and 2% of voting rights | Upward |
| Citigroup Inc. | January 13, 2025 | 6,597,789 | 5.346% | 3.734% | 5% of share capital | Upward |
| Harris Associates L.P | January 16, 2025 | 3,512,307 | 2.846% | 1.988% | 2% of voting rights | Downward |
| Parvus Asset Management Europe Ltd. | January 29, 2025 | 4,985,388 | 4.039% | 2.821% | 4% of share capital and 2% of voting rights | Upward |
| Caisse des Dépôts et Consignations | January 31, 2025 | 2,457,505 | 1.991% | 1.391% | 2% of share capital | Downward |
| Parvus Asset Management Europe Ltd. | February 13, 2025 | 4,934,333 | 3.998 % | 2.792% | 4% of the share capital | Downward |
| Citigroup Inc. | February 14, 2025 | 6,135,287 | 4.971% | 3.472% | 5% of share capital | Downward |
| Citigroup Inc. | February 18, 2025 | 6,208,632 | 5.030% | 3.514% | 5% of share capital | Upward |
| Citigroup Inc. | February 25, 2025 | 5,152,474 | 4.175% | 2.916% | 5% of share capital | Downward |
| Citigroup Inc. | February 26, 2025 | 4,382,312 | 3.551% | 2.480% | 4% of share capital | Downward |

(1) Citigroup Inc. stated that, on October 25, 2024, its subsidiary Citigroup Global Markets Limited crossed the 5% threshold of Kering's share capital, holding 6,181,593 shares individually as of that date, without Citigroup Inc. itself crossing any threshold. As of the same date, Citigroup Inc. held 6,230,459 shares, representing 5.05% of the share capital and 3.53% of the voting rights.

At the date of this Universal Registration Document, to the Company's knowledge:

- no other shareholder notifications concerning thresholds defined by law or in the articles of Association were made in 2024;
- there are no shareholder agreements or other agreements whose exercise could result in a change of control over Kering.

## 2.3 Breakdown of the share capital as of December 31, 2024 (rounded figures)




(1) Including Kering's employee investment fund.

As of December 31, 2024, private individual shareholders held 4.2% of the Group's share capital. Institutional investors owned 52.6%, with 6% held by French institutions and 46.6 % by investors residing outside France.

Among the international institutional investors, North America- and United Kingdom-based shareholders held 22.9% and 11.1% of the share capital, respectively. Continental European investors (excluding France) held 6.5%, including investors in Switzerland (1.6%), Norway (1%) and Germany (0.8%). Shareholders based in the Asia-Pacific region represented 3% of the share capital.

## 2.4 Stock market information

| **Kering share** | |
|---|---|
| Place of listing | Euronext Paris |
| Market | Eurolist A |
| Initial public offering | October 25, 1988 (Second Market) |
| Main indices | CAC 40 (since February 9, 1995) |
| | Euro Stoxx 50 (since September 24, 2018) |
| | CAC 40 ESG (since March 22, 2021) |
| Number of shares | 123,420,778 as of December 31, 2024 |
| Codes | ISIN: FR0000121485 Reuters ticker: PRTP.PA Bloomberg ticker: KER:FP |

## 2.5 The Kering share

### Change in the price of the Kering share compared to the CAC 40 index (rebased) from January 1, 2024 to February 28, 2025

### Market price and Kering share trading volume

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| High[1] *(in €)* | 434.5 | 600.0 | 740.8 | 792.1 | 623.5 |
| Low[1] *(in €)* | 208.5 | 382.0 | 442.5 | 522.3 | 357.6 |
| Price[1] as of December 31 *(in €)* | 238.3 | 399.0 | 475.5 | 706.9 | 594.4 |
| **Market capitalization as of December 31** *(in € millions)* | **29,405** | **49,245** | **58,996** | **88,145** | **74,311** |
| Daily average trading volume *(in number of shares)* | 286,845 | 203,287 | 221,498 | 187,486 | 236,062 |
| **Number of shares as of December 31** | **123,420,778** | **123,420,778** | **124,070,778** | **124,692,916** | **126,279,322** |

(1) Closing price.
Source: Euronext.

## Listed securities of the Group as of March 18, 2025

| Securities listed on Euronext Paris | ISIN code |
|---|---|
| **Shares** ***(in euros)*** | |
| Kering | FR0000121485 |
| **Bonds** ***(in euros)*** | |
| Kering 0.75% May 2028 | FR0013512407 |
| Kering 1.25% May 2025 | FR001400A5N5 |
| Kering 1.875% May 2030 | FR001400A5M7 |
| Kering 3.25% February 2029 | FR001400G3Y1 |
| Kering 3.375% February 2033 | FR001400G412 |
| Kering 3.75% September 2025 | FR001400KI02 |
| Kering 3.625% September 2027 | FR001400KHZ0 |
| Kering 3.625% September 2031 | FR001400KHW7 |
| Kering 3.875% September 2035 | FR001400KHX5 |
| Kering 3.375% March 2032 | FR001400OM10 |
| Kering 3.625% March 2036 | FR001400OM28 |
| Kering 3.625% November 2034 | FR001400U595 |
| **Bonds** ***(in dollars)*** | |
| Kering 3.639% May 2027 | FR001400AKX0 |
| **Bonds** ***(in pounds)*** | |
| Kering 5.125% November 2026 | FR001400M6M1 |
| Kering 5.000% November 2032 | FR001400M6N9 |

| Securities listed on the Luxembourg Stock Exchange | ISIN code |
|---|---|
| **Bonds** ***(in euros)*** | |
| Kering 1.60% April 2035 | FR0012669257 |
| Kering 1.25% May 2026 | FR0013165677 |
| Kering 1.50% April 2027 | FR0013248721 |

## Stock market data

### Kering share

| | Share price *(in €)* | | | | Volume | | |
|---|---|---|---|---|---|---|---|
| | | | | | | Shares traded | |
| 2023 | Average[1] | High[2] | Low[2] | Monthly change | Daily average *(in number of shares)* | in € millions | Number of shares |
| January | 537.0 | 571.8 | 478.1 | +20.0% | 212,728 | 2,509 | 4,680,015 |
| February | 575.3 | 601.1 | 534.5 | -2.7% | 254,837 | 2,936 | 5,096,739 |
| March | 571.1 | 603.6 | 535.5 | +8.1% | 222,920 | 2,909 | 5,127,152 |
| April | 573.4 | 602.6 | 549.8 | -3.4% | 197,873 | 2,032 | 3,561,722 |
| May | 538.7 | 577.9 | 495.9 | -14.0% | 171,818 | 2,037 | 3,779,996 |
| June | 508.5 | 532.2 | 488.5 | +1.5% | 187,803 | 2,114 | 4,131,675 |
| July | 509.5 | 546.8 | 474.1 | +3.6% | 192,716 | 2,074 | 4,047,028 |
| August | 505.7 | 533.9 | 485.8 | -5.6% | 134,297 | 1,568 | 3,088,829 |
| September | 458.6 | 498.4 | 423.0 | -12.6% | 220,687 | 2,136 | 4,634,424 |
| October | 409.3 | 437.6 | 379.3 | -11.3% | 221,861 | 2,034 | 4,880,942 |
| November | 400.2 | 421.1 | 376.7 | +2.7% | 196,918 | 1,737 | 4,332,202 |
| December | 405.6 | 430.1 | 390.6 | +1.3% | 235,651 | 1,856 | 4,477,365 |

(1) Closing price.
(2) Intraday price.
Source: Euronext.

| | Share price *(in €)* | | | | Volume | | |
|---|---|---|---|---|---|---|---|
| | | | | | | Shares traded | |
| 2024 | Average[1] | High[2] | Low[2] | Monthly change | Daily average *(in number of shares)* | in € millions | Number of shares |
| January | 371.4 | 401.3 | 343.4 | -3.9% | 231,760 | 1,897 | 5,098,725 |
| February | 413.9 | 438.5 | 376.4 | +10.9% | 230,930 | 2,007 | 4,849,527 |
| March | 400.9 | 438.6 | 349.9 | -13.8% | 278,942 | 2,179 | 5,578,835 |
| April | 348.7 | 370.1 | 315.4 | -9.9% | 264,466 | 1,911 | 5,553,781 |
| May | 330.7 | 342.9 | 317.0 | -3.9% | 244,622 | 1,900 | 5,381,687 |
| June | 321.0 | 346.4 | 299.2 | +6.7% | 288,799 | 1,891 | 5,775,985 |
| July | 314.8 | 346.9 | 270.4 | -16.0% | 273,286 | 2,004 | 6,285,572 |
| August | 259.2 | 284.3 | 246.7 | -9.0% | 301,281 | 1,776 | 6,628,176 |
| September | 237.2 | 269.4 | 218.5 | -0.8% | 362,865 | 1,823 | 7,620,172 |
| October | 236.2 | 255.8 | 215.5 | -10.9% | 361,653 | 1,965 | 8,318,023 |
| November | 221.6 | 242.3 | 206.6 | -3.5% | 340,229 | 1,578 | 7,144,808 |
| December | 235.7 | 250.0 | 215.7 | +7.9% | 259,853 | 1,227 | 5,197,061 |

(1) Closing price.
(2) Intraday price.
Source: Euronext

| | Share price *(in €)* | | | | Volume | | |
|---|---|---|---|---|---|---|---|
| | | | | | | Shares traded | |
| 2025 | Average[1] | High[2] | Low[2] | Monthly change | Daily average *(in number of shares)* | in € millions | Number of shares |
| January | 240.1 | 273.0 | 217.5 | +6.4% | 368,902 | 1,966 | 8,115,846 |
| February | 264.0 | 283.4 | 235.1 | +7.0% | 415,205 | 2,184 | 8,304,094 |

(1) Closing price.
(2) Intraday price.
Source: Euronext.

## 2.6 Financial communications policy and relations with our stakeholders

Kering's Financial Communications Department is committed to disseminating accurate, precise and reliable information. Its actions are targeted and customized to offer different audiences – private individual shareholders and the financial community – messages suited to their respective expectations while complying with the principle of equal access to information. Kering also places considerable importance on maintaining a dialog with and earning even greater trust from its shareholders, both institutional and individual. It provides transparent information to them on a regular basis about the Company's latest developments by holding meetings throughout the year – particularly with institutional investors – and making sure that it answers any questions and responds to any comments they may have.

### Toward individual shareholders

Private individual shareholders have access to various media and tools to keep themselves informed about the Group and events affecting its shares. These include the twice-yearly Letter to Shareholders, the Shareholders' Guide (available online, in French only), the shareholders' hotline (+33 (0)1 45 64 65 64) and email address (actionnaire@kering.com), financial notices in the press and online, the Group's website, and the annual report.

### Toward the financial community

The Group maintains close relationships with the European and international financial community in three main ways:

- dialog regarding financial performance and strategy: the head of investor relations and her team, overseen by the Chairman and Chief Executive Officer, the Deputy CEO and Chief Operating Officer, and the Chief Financial Officer, organize meetings with analysts and the main institutional investors in relation to the publication of annual and half-year financial results and quarterly revenue figures. As well as these periodic events, the Group proactively organizes individual and group meetings with the financial community as part of financial roadshows in Europe and around the world. Kering also takes part in numerous sector conferences organized by major banks;

- dialog regarding non-financial performance: at a time of increasing expectations among investors and other stakeholders regarding environmental, social and governance (ESG) commitments, the Investor Relations Department regularly discusses these subjects with analysts and investors in meetings and in conferences focusing on ESG matters. The Group's Chief Sustainability and Institutional Affairs Officer also takes part in the ESG roadshow held every November and attended by significant institutional investors, during which she presents details of the Group roadmap, the resources deployed by the Group and its achievements, particularly in terms of its climate ambitions and biodiversity policy. For more than 10 years, the Group has reported annually to shareholders in the AGM, through its Chief Sustainability and Institutional Affairs Officer, about its environmental ambitions and progress. Dedicated teams within the Sustainability Department regularly interact with non-financial ratings agencies in relation to their requests and questionnaires;
- dialog regarding governance: this is mainly conducted by the Lead Independent Director and the Investor Relations Department under the oversight of the Chairman and Chief Executive Officer, in tandem with the Board Secretary and the Legal Department. The Chairman and Chief Executive Officer may also hold discussions with institutional investors on these matters. In 2024, as it does every year, the Group held an ESG roadshow in the fourth quarter for major investors in the Company (representing around 50% of the free float and 29% of total share capital). The Lead Independent Director, the Board Secretary, the Chief Sustainability and Institutional Affairs Officer and the Investor Relations Department took part in the roadshow. In addition, the Investor Relations Department, working in tandem with the Board Secretary and the Legal Department, holds meetings with the Group's main institutional investors every year ahead of the Annual General Meeting to explain the resolutions to be submitted to shareholders for their approval.

All of the presentation material shared with institutional investors is available on the Kering website.

## Procedures for communicating regulatory information

Pursuant to obligations – applicable since January 20, 2007 – to disclose regulatory information resulting from the implementation of the Transparency Directive in the AMF's General Regulations, Kering's Financial Communications Department oversees the proper and full disclosure of regulatory information. This information is filed with the AMF at the time of its disclosure and stored on the Kering website.

Full and effective communication is carried out electronically in compliance with the criteria defined by the AMF's General Regulations, which require communication to a wide audience within the European Union and under conditions guaranteeing the security of the communication and information. Accordingly, Kering's Financial Communications Department has chosen to work with a professional communications agency satisfying the communication criteria set by EU Regulation no. 596/2014 on market abuse and the AMF's General Regulations. The communications agency is included on the list published by the AMF, thus benefiting from a presumption of full and effective communication.

**2025 shareholders' agenda**

| | |
|---|---|
| **April 23, 2025 (after market close)** | First-quarter revenue |
| **April 24, 2025** | Annual General Meeting |
| **July 29, 2025 (after market close)** | First-half results |
| **October 2025**[(1)] | Third-quarter revenue |

(1) The specific date will be posted on Kering.com.

# CHAPTER 8
# Additional information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# 1 - GENERAL INFORMATION

## Company name, registered office and website

Company name: Kering

Registered office: 40, rue de Sèvres, 75007 Paris, France

Contact: +33 (0) 1 45 64 61 00

Website: www.kering.com

## Legal form

A French corporation (*société anonyme*).

## Applicable law

French law.

## Date of incorporation and term

Kering SA was incorporated on June 24, 1881 for a term of 99 years. The term was extended to May 26, 2066 at the Extraordinary General Meeting held on May 26, 1967, except in the case of an early dissolution or of an extension approved at the Extraordinary General Meeting.

## Corporate purpose

- the Company's corporate purpose is: the purchase, retail sale or wholesale, either directly or indirectly, by all means and using all existing or future techniques, of all goods, products, commodities or services;
- the creation, acquisition, leasing, operating or sale, either directly or indirectly, of all establishments, stores or warehouses, by all means and using all existing or future techniques, for the retail sale or wholesale of all goods, products, commodities or services;
- the direct or indirect manufacture of all goods, products or commodities that are useful for corporate operations;
- the direct or indirect supply of all services;
- the purchase, operation and sale of all buildings that are useful for corporate operations;
- the creation of all commercial, non-trading, industrial and financial concerns, whether in moveable or real property, service businesses or otherwise, the acquisition of participating interests by all means, the subscription, acquisition, contribution, merger or otherwise of such concerns and the management of its participating interests;
- and, in general, all commercial, non-trading, industrial and financial operations, whether in moveable or real property, service or other businesses that can be directly or indirectly connected to the purposes specified above or to all similar, complementary or related purposes or purposes that are liable to favor the creation or development thereof.

*(Article 5 of the articles of Association)*

## Company registration

Registered with the Paris Trade and Companies Registry under number 552 075 020.

APE code: 7010Z.

LEI: 549300VGEJKB7SVUZR78.

## Documents available to the public

Kering's articles of Association are available on the Company's website: www.kering.com. Other legal documents pertaining to the Company may be consulted upon appointment in print version during business hours at the Company's registered office. The Universal Registration Document filed by Kering with the *Autorité des marchés financiers* (the French financial markets authority), the Company's press releases, as well as the annual and interim reports, the parent company and consolidated financial statements and the regulated information may be consulted on the Company's website at the following address: www.kering.com.

## Fiscal year

The Company's fiscal year begins on January 1 and ends on December 31 of the same year.

## Appropriation of earnings

From the profit for the fiscal year, less deferred losses where applicable, a minimum withdrawal of one twentieth is made and paid into a reserve fund known as the "legal reserve". Said withdrawal ceases to be mandatory once said reserve reaches one tenth of the share capital.

From the distributable profit, which is made up of the profit for the fiscal year less deferred losses and the withdrawal referred to above, as well as the amounts to be paid into the reserves in accordance with the law, plus deferred profits, the Annual General Meeting, pursuant to a proposal by the Board of Directors, may withdraw all amounts it deems appropriate, either to be deferred to the subsequent fiscal year, or to be entered into one or more extraordinary, general or special reserve funds, the allocation and use of which is determined by the Annual General Meeting.

The balance, if any, is allocated among the shareholders.

The Annual General Meeting that votes on the financial statements for the fiscal year has the option of granting each shareholder, for all or part of the dividend or interim dividend distributed, an option between payment of the dividend or the interim dividend in cash, in kind or in shares. The Annual General Meeting may also decide, for all or part of the dividend, interim dividends, reserves, or premiums distributed, or for any capital reduction, that the distribution of dividends, reserves or premiums or the capital reduction will be made in kind in the form of corporate assets, including securities.

*(Article 21 of the articles of Association)*

Dividends not claimed after five years are paid to the French State.

Dividends paid over the last three fiscal years are presented in the Management Report.

## Administrative and management bodies

Information regarding administrative and management bodies is presented in chapter 3, “Report on corporate governance”.

## Annual General Meetings – Double voting rights

Annual General Meetings are convened by the Board of Directors and deliberate on their agenda under the conditions provided for by law and the regulations.

Meetings are held at the registered office or in any other place specified in the convening notice.

All shareholders may attend meetings, either in person or via a proxy, under the conditions laid down by law, subject to providing proof of their identity and of the title to their securities, by the recognition of said securities in the accounts in their name within the regulatory timeframes, either in the accounts of registered securities held by the Company, or in the accounts of bearer securities held by an accredited intermediary. Proof of a shareholder's capacity can be provided electronically, under the conditions set by the regulations in force. Pursuant to a decision of the Board of Directors, shareholders may participate in meetings via videoconference or via telecommunications means that make it possible to identify them under the conditions laid down by the regulations in force. All shareholders may vote by correspondence using a form filled out and sent to the Company under the conditions laid down by the regulations in force, including electronically, pursuant to a decision by the Board of Directors. This form must reach the Company in accordance with the regulatory conditions in order to be taken into account. The Board of Directors may reduce said timeframe for the benefit of all shareholders. Owners of securities who are not resident on French territory may be represented by an intermediary who is registered in accordance with the conditions laid down by the regulations in force.

Meetings are chaired by the Chairman of the Board of Directors or, in his/her absence, by the member of the Board who is specifically appointed for this purpose by the Board. Failing this, the meeting elects its own chair.

Meeting minutes are prepared and copies thereof are certified and issued in accordance with the law.

In all Annual General Meetings, a voting right that is double the right conferred on the other shares is granted to all shares that are fully paid up and for which proof is provided that they have been held in registered form for at least two years in the name of the same shareholder. This double voting right, which existed in the articles of Association of Pinault SA prior to its merger with Printemps SA, was restated at the time of their 1992 merger.

This double voting right may be withdrawn outright at any time pursuant to a decision of the Extraordinary General Meeting and after ratification by a special meeting of the beneficiary shareholders.

*(Article 19 of the articles of Association)*

The double voting right existed at both Pinault SA and Printemps SA prior to their 1992 merger. The Company’s articles of Association do not provide that, in the event of a free allocation of registered shares to a shareholder in respect of old shares for which he/she/it had a double voting right, the new shares are also entitled to a double voting right.

Pursuant to the relevant legislation, double voting rights are canceled for any share converted to a bearer share or in the event of a transfer of ownership except in the case of a transfer following inheritance, liquidation of joint property between spouses, or donation between living family members (spouse or relative) with legal inheritance rights.

Voting rights are not limited under the articles of Association.

## Provisions of the articles of Association relating to shareholder notifications

The shares shall be in registered or bearer form at the shareholder’s discretion. The shares shall be entered into an account under the conditions and in accordance with the terms provided for by the regulations in force.

The Company is authorized to use the provisions of the law and regulations regarding the identification of the holders of securities that grant immediate or deferred access to voting rights at its own Annual General Meetings.

In addition to the legal obligations to notify the Company and the French financial markets authority (*Autorité des marchés financiers – AMF*) when shareholdings reach or fall below a given threshold, any individual or legal entity directly or indirectly holding shares in the Company, whether acting alone or in concert, shall notify the Company of the total number of shares and voting rights held if said number reaches or exceeds 2% or any multiple thereof, including multiples exceeding the legal threshold of 5%. Notifications shall be made by registered letter with return receipt sent to the registered office no later than 15 days after the date on which the threshold was crossed or reached, or by any other equivalent means for shareholders not residing in France, it being specified that the contents of the notification must comply with the legal and regulatory provisions applicable to shareholder notifications concerning legal thresholds, and must include the information to be provided in such circumstances to the AMF, as stated in its General Regulations. The same notification obligation shall apply under the same conditions when a shareholder’s total shares and/or voting rights reach or fall below any of the aforementioned thresholds.

If the notification is not submitted, the shares exceeding the threshold for which the notification should have been made may be deprived of voting rights at the request of one or more shareholders holding a combined or individual total of at least 5% of the Company’s share capital and/or voting rights, under the conditions set forth in the sixth paragraph of Article L. 233-7 of the French Commercial Code. If the notification is subsequently made, the corresponding voting rights may not be exercised until the period of time defined by law or the prevailing regulations has expired.

*(Article 7 of the articles of Association)*

There are no shares not representing capital.

The steps required to amend shareholder rights are those provided for by law.

### Share capital

The Company is authorized to use the provisions of the law and regulations regarding the identification of the holders of securities that grant immediate or deferred access to voting rights at its own Annual General Meetings.

*(Article 7 of the articles of Association)*

In addition to the voting right that is granted to each share by the law and by the specific provisions of Article 20 below, each share grants the right to a percentage, which is proportional to the number and par value of the existing shares, of the corporate assets, the profit after deduction of the deductions provided for by law and the articles of Association, or of the liquidating dividend.

Each time it is necessary to possess more than one share in order to exercise a right, it is the responsibility of the owners who do not possess such number to make arrangements in order to possess the required number of shares.

*(Article 8 of the articles of Association)*

In the event of liquidation of the Company, the remaining shareholders' equity after repayment of the par value of the shares will be allocated among the shareholders in the same proportions as their holdings in the capital.

*(Article 23 of the articles of Association)*

Any changes in the share capital or the rights attached to shares are governed by the legal requirements and the specific provisions of the articles of Association as set out below.

Under Article 15 of the articles of Association, in the Company's internal organization, decisions by the Chief Executive Officer and the Group Managing Director relating to the issue of securities, regardless of their nature, require the prior approval by the Board of Directors when such issues are likely to change the share capital, except in the event of a decision by the Annual General Meeting.

# 2 - PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

## Declaration by the person responsible for the Universal Registration Document and for the Annual Financial Report

I hereby certify, to the best of my knowledge, that the information contained in this Universal Registration Document is in accordance with the facts and contains no omission likely to affect its import.

I further certify, to the best of my knowledge, that the annual consolidated and parent company financial statements of Kering SA for the year ended December 31, 2024 have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the issuer and all the undertakings included in the consolidation, and that the Management Report (the cross-reference table for which is provided in section 5.3 of chapter 8 in this Universal Registration Document) includes a fair review of the development of the business, the results of operations and the financial position of the Company and of all the undertakings included in the consolidation, and also describes the main risks and uncertainties to which they are exposed.

Paris, March 17, 2025

**François-Henri Pinault**
Chairman and Chief Executive Officer

# 3 - STATUTORY AUDITORS

## 3.1 Principal Statutory Auditors

### PricewaterhouseCoopers Audit

63, rue de Villiers, 92208 Neuilly-sur-Seine

Camille Phelizon and Patrice Morot

Date of first appointment: Annual General Meeting of April 28, 2022.

Appointment, term and expiry: appointed at the Combined General Meeting of April 28, 2022 for six years until the Annual General Meeting called to approve the 2027 financial statements.

### Deloitte & Associés

6, Place de la Pyramide, 92908 Paris-La Défense Cedex, France

David Dupont-Noel and Bénédicte Margerin

Date of first appointment: Annual General Meeting of May 18, 1994.

Reappointment, term and expiry: reappointed at the Combined General Meeting of June 16, 2020 for six years until the Annual General Meeting called to approve the 2025 financial statements.

## 3.2 Substitute Statutory Auditors

### Emmanuel Benoist

63, rue de Villiers, 92208 Neuilly-sur-Seine

Date of first appointment: Annual General Meeting of April 28, 2022.

Appointment, term and expiry: appointed at the Combined General Meeting of April 28, 2022 for six years until the Annual General Meeting called to approve the 2027 financial statements.

### BEAS

6, Place de la Pyramide, 92908 Paris-La Défense Cedex, France

Date of first appointment: Annual General Meeting of May 19, 2005.

Reappointment, term and expiry: reappointed at the Combined General Meeting of June 16, 2020 for six years until the Annual General Meeting called to approve the 2025 financial statements.

# 4 - DOCUMENTS INCORPORATED BY REFERENCE

In accordance with Article 19 of Regulation (EU) 2017/1129 of June 14, 2017, this Universal Registration Document incorporates by reference the following information, to which the reader is invited to refer:

- for the fiscal year ended December 31, 2023: key figures, activities of the Group, activity report, investment policy, consolidated financial statements, Kering SA financial statements and the related Statutory Auditors' reports, set out on pages 11 to 15, 31 to 57, 63 to 90, 89 and 90, 328 to 391, 392 to 395, 396 to 412, 413 to 416 of the Universal Registration Document filed on March 19, 2024 with the French financial markets authority (*Autorité des marchés financiers – AMF*);
- for the fiscal year ended December 31, 2022: key figures, activities of the Group, activity report, investment policy, consolidated financial statements, Kering SA financial statements and the related Statutory Auditors' reports, set out on pages 11 to 15, 32 to 57, 63 to 90, 88 and 89, 338 to 399, 400 to 403, 404 to 420, 421 to 424 of the Universal Registration Document filed on March 22, 2023 with the French financial markets authority (*Autorité des marchés financiers – AMF*).

Information included in these two documents other than that listed above is, where relevant, replaced or updated by the information included in this Universal Registration Document. These two documents are available at the Group's registered office and on its website, www.kering.com, under the Finance section.

# 5 - CROSS-REFERENCE TABLE

To facilitate the reading of this document, the tables below cross-reference:

- the main headings required under Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of June 14, 2017;
- the main disclosures required in the Annual Financial Report as provided for in Article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and Article 222-3 of the AMF General Regulations (*Règlement général*);
- the main disclosures required in the Management Report as provided for in Articles L. 225-100 and L. 232-1 of the French Commercial Code (*Code de commerce*), including:
  - the report on corporate governance as provided for in Article L. 225-37 paragraph 6 of the French Commercial Code,
  - the sustainability information as provided for in Articles L. 232-6-3, L. 22-10-36, R. 232-8-4 et seq. of the French Commercial Code, as well as data points from other EU regulations.

Consequently, in accordance with AMF recommendation DOC-2021-02, this Universal Registration Document is a combined "three-in-one" document, containing all of the disclosures required in the above-mentioned documents:

| Document | Reference texts | Page(s) |
|---|---|---|
| **Universal Registration Document** | Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of June 14, 2017 | 430-432 |
| **Annual Financial Report** | Article L. 451-1-2 of the French Monetary and Financial Code<br>Article 222-3 of the AMF General Regulations | 433 |
| **Management Report** | Articles L. 225-100, L. 232-1, L. 22-10-35 and R. 225-102 of the French Commercial Code | 433-434 |
| **Report on corporate governance** | Article L. 225-37 paragraph 6 of the French Commercial Code | 433-434 |
| **Sustainability statements** | Articles L. 232-6-3, L. 22-10-36, R. 232-8-4 et seq. of the French Commercial Code | 435-444 |

# 5.1 Universal Registration Document

| Cross-reference table for the Universal Registration Document – Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of June 14, 2017 | | | Page(s) |
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| 1.2 | Declaration by the person responsible | | 428 |
| 1.3 | Statement or report attributed to a person acting as an expert | | N/A |
| 1.4 | Confirmation regarding information sourced from third parties | | N/A |
| 1.5 | Statement on the competent authority | | 1 |
| **2.** | **Statutory Auditors** | | |
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| **4.** | **Information about the issuer** | | |
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| 5.4 | Strategy and objectives of the issuer | | 25-32, 52-54, 57-78 |
| 5.5 | Dependency of the issuer on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes | | N/A |
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| | 5.7.2 | Principal investments in progress, the geographic distribution of these investments (France and abroad) and the method of financing (internal or external) | 58-59, 80-81, 328, 345-351, 356-358 |
| | 5.7.3 | Joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses | 341, 372-383, 403 |
| | 5.7.4 | Environmental issues that may affect the utilization of tangible fixed assets | 179-219 |
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| 8.2 | Sources and amounts of the issuer's cash flows | 67-69, 324, 356-358 |
| 8.3 | Information on the borrowing terms and the funding structure of the issuer | 65-69, 297, 345-351 |
| 8.4 | Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the Company's operations | 345-351 |
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| 10.2 | Known trends, uncertainties, demands, commitments or events that are reasonably likely to have material effect on the issuer's prospects | 32-35, 79 |
| **11.** | **Profit forecast or estimates** | N/A[(1)] |
| 11.1 | Profit forecast or estimate which has been published and is still outstanding | N/A |
| 11.2 | Statement setting out the principal hypothesis underlying the profit forecast or estimate | N/A |
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| **12.** | **Administrative, management and supervisory bodies and senior management** | |
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| **15.** | **Employees** | |
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| Cross-reference table for the Universal Registration Document – Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of June 14, 2017 | | | Page(s) |
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| | 18.3.3 | Source of financial data not extracted from the issuer's audited financial statements | N/A |
| 18.4 | Pro forma financial information | | N/A |
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| 18.7 | Significant change in the issuer's financial position | | N/A |
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| | 19.1.4 | Amount of any convertible securities, exchangeable securities or securities with warrants | N/A |
| | 19.1.5 | Information about the terms of any acquisition rights and/or any obligations over capital issued but not paid-up or an undertaking to increase the capital | N/A |
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| 19.2 | Memorandum and articles of Association | | |
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(1) This Universal Registration Document does not include any profit forecasts.
(2) No quarterly financial statements have been published between the closing of the annual financial statements and the publication of the Universal Registration Document.
(3) Not material.

## 5.2 Annual Financial Report

| Cross-reference table for the Annual Financial Report – Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF General Regulations | Page(s) |
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| Management Report | 433-434 |
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| Statutory Auditors' report on the financial statements | 406-409 |
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## 5.3 Management Report

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| 1.1 | Position of the Company over the past fiscal year and objective, in-depth analysis of changes in the business, results of operations and financial position of the company, notably as regards debt, and the volume and complexity of the business | 57-81 |
| 1.2 | Planned development of the Company | 31-35, 79 |
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| **3.** | **Report on corporate governance** | |
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| 3.8 | Annual changes to remuneration, the Company's performance, the average remuneration of Company employees and the above-mentioned ratios over the last five years | 150-152 |

| Cross-reference table for the Management Report - Articles L. 225-100 and L. 232-1 of the French Commercial Code | | Page(s) |
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| 3.9 | Explanation of the way in which total remuneration complies with the remuneration policy adopted, including how it contributes to the Company's long-term performance and how performance criteria have been applied | 140-155 |
| 3.10 | Consideration of the vote of the last Ordinary General Meeting under Article L. 22-10-34 of the French Commercial Code | 133-140 |
| 3.11 | Divergences from the procedure for implementing the remuneration policy and any exceptions | N/A |
| 3.12 | Application of the provisions of the second paragraph of Article L. 225-45 of the French Commercial Code (suspension of the payment of Directors' remuneration in the event of non-compliance with the diversity rules for Boards of Directors) | N/A |
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| 3.14 | Award to and holding of free shares by executive corporate officers | 136-138, 140-141, 144-149, 359 |
| **Information relating to governance** | | |
| 3.15 | List of positions held and duties performed the corporate officers in all companies during the fiscal year | 90-107 |
| 3.16 | Agreements entered into with management executives or significant shareholders and a subsidiary | N/A |
| 3.17 | Summary table showing the authorizations currently in force to increase the share capital | 415 |
| 3.18 | Company's management structure | 22-23, 84-85 |
| 3.19 | Composition, conditions of preparation and organization of the Board's work | 89-129 |
| 3.20 | Diversity policy applied to the Board of Directors | 109-111 |
| 3.21 | Limitations, if any, set by the Board on the powers of the Chief Executive Officer | 85 |
| 3.22 | Reference to a code of corporate governance and application of the "comply or explain" principle | 84, 130 |
| 3.23 | Conditions for the attendance of shareholders at Annual General Meetings | 130, 427 |
| 3.24 | Procedure for assessing agreements entered into in the ordinary course of business and at arm's length conditions; implementation of procedure | 116 |
| 3.25 | Information likely to have an impact in the event of a public offer or exchange offer | 130 |
| 3.26 | Description of the main features of the company's internal control and risk management procedures as part of the financial reporting process | 124-125, 272-279 |
| **4.** | **Share ownership structure and share capital** | |
| 4.1 | Share ownership structure, changes to share capital and threshold crossings notifications | 418-420 |
| 4.2 | Trading by the Company in its own shares | 343-344, 394, 414 |
| 4.3 | Status of employee share ownership at the fiscal year-end (proportion of the share capital) | 416, 418 |
| 4.4 | Adjustments for the issuance of marketable securities giving access to the share capital in the event of share repurchase operations or financial transactions | N/A |
| 4.5 | Summary on transactions by management executives and persons related to them involving the Company's shares | 131 |
| 4.6 | Dividends paid during the last three fiscal years | 11, 12, 15, 344, 416, 417 |
| **5.** | **Sustainability information** | |
| The cross-reference table for the Sustainability Statements is presented on pages | | 435-444 |
| **6** | **Other information** | |
| 6.1 | Details of any injunctions or penalties for anti-trust practices | N/A |

## 5.4 Sustainability statements

### 5.4.1 ESRS disclosure requirements covered in the sustainability statements

| ESRS 2 | General disclosure | Section of the Universal Registration Document |
|---|---|---|
| BP-1 | General basis for preparation of the sustainability statement | Chapter 4 - 1.4 |
| BP-2 | Disclosures in relation to specific circumstances | Chapter 4 - 1.4 |
| GOV-1 | The role of the administrative, management and supervisory bodies | Chapter 4 - 1.3.1; 1.3.2 |
| GOV-2 | Information provided to and sustainability matters addressed by Kering's administrative, management and supervisory bodies | Chapter 4 - 1.3.3 |
| GOV-3 | Integration of sustainability-related performance in incentive schemes | Chapter 4 - 1.3.4 |
| GOV-4 | Statement on sustainability due diligence | Chapter 4 - 1.3.5 |
| GOV-5 | Risk management and internal controls over sustainability reporting | Chapter 4 - 1.3.6 |
| SBM-1 | Strategy, business model and value chain | Chapter 4 - 1.1.1 |
| SBM-2 | Interests and views of stakeholders | Chapter 4 - 1.1.2 |
| SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | Chapter 4 - 1.2 |
| IRO-1 | Description of the process to identify and assess material impacts, risks and opportunities | Chapter 4 - 1.2.1 |
| IRO-2 | Disclosure requirements in ESRS covered by Kering's sustainability statement | Chapter 8 - 5.4 |

**Environmental information**

| ESRS E1 | Climate change | Section of the Universal Registration Document |
|---|---|---|
| ESRS 2, GOV-3 | Integration of sustainability-related performance in incentive schemes | Chapter 4 - 2.1.1 |
| E1-1 | Transition plan for climate change mitigation | Chapter 4 - 2.1.3 |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities, and their interaction with strategy and business model | Chapter 4 - 2.1.2 |
| ESRS 2, IRO-1 | Description of the processes to identify and assess material climate related impacts, risks and opportunities | Chapter 4 - 1.2; 2.1.2 |
| E1-2 | Policies related to climate change mitigation and adaptation | Chapter 4 - 2.1.4.1; 2.1.5.1 |
| E1-3 | Actions and resources in relation to climate change policies | Chapter 4 - 2.1.4.2; 2.1.5.2 |
| E1-4 | Targets related to climate change mitigation and adaptation | Chapter 4 - 2.1.4.3; 2.1.5.3 |
| E1-5 | Energy consumption and mix | Chapter 4 - 2.1.7 |
| E1-6 | Gross Scopes 1, 2, 3 and total GHG emissions | Chapter 4 - 2.1.6 |
| E1-7 | GHG removals and GHG mitigation projects financed through carbon credits | Chapter 4 - 2.1.8 |
| E1-8 | Internal carbon pricing | Chapter 4 - 2.1.9 |
| E1-9 | Anticipated financial effects from material physical and transition risks and potential climate-related opportunities | Phased-in |

| ESRS E2 | Pollution | Section of the Universal Registration Document |
|---|---|---|
| ESRS 2, IRO-1 | Description of the processes to identify and assess material pollution-related impacts, risks and opportunities | Chapter 4 - 1.2 |
| E2-1 | Policies related to pollution | Chapter 4 - 2.2.1 |
| E2-2 | Actions and resources related to pollution | Chapter 4 - 2.2.2 |
| E2-3 | Targets related to pollution | Chapter 4 - 2.2.3.1 |
| E2-4 | Pollutions of air, water and soil | Chapter 4 - 2.2.3.2 |
| E2-5 | Substances of concern and very high concern | Chapter 4 - 2.2.3.2 |
| E2-6 | Anticipated financial effects from pollution-related risks and opportunities | Phased-in |

| ESRS E3 | Water and marine resources | Section of the Universal Registration Document |
|---|---|---|
| ESRS 2, IRO-1 | Description of the processes to identify and assess material water and marine resources related impacts, risks and opportunities | Chapter 4 - 1.2; 2.3.1 |
| E3-1 | Policies related to water and marine resources | Chapter 4 - 2.3.2 |
| E3-2 | Actions and resources related to water and marine resource | Chapter 4 - 2.3.3 |
| E3-3 | Targets related to water and marine resources | Chapter 4 - 2.3.4.1 |
| E3-4 | Water consumption | Chapter 4 - 2.3.4.2 |
| E3-5 | Anticipated financial effects from water and marine resources related risks and opportunities | Phased-in |

| ESRS E4 | Biodiversity and ecosystems | Section of the Universal Registration Document |
|---|---|---|
| E4-1 | Transition plan and consideration of biodiversity and ecosystems in strategy and business model | Chapter 4 - 2.4.1 |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | Chapter 4 - 1.2; 2.4.1 |
| ESRS 2, IRO-1 | Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities | Chapter 4 - 1.2; 2.4.1 |
| E4-2 | Policies related to biodiversity and ecosystem | Chapter 4 - 2.4.2 |
| E4-3 | Actions and resources related to biodiversity and ecosystems | Chapter 4 - 2.4.3 |
| E4-4 | Targets related to biodiversity and ecosystems | Chapter 4 - 2.4.4 |
| E4-5 | Impact metrics related to biodiversity and ecosystems change | Chapter 4 - 2.4.1 |
| E4-6 | Anticipated financial effects from biodiversity and ecosystems-related risks and opportunities | Phased-in |

| ESRS E5 | Resource use and circular economy | Section of the Universal Registration Document |
|---|---|---|
| ESRS 2, IRO-1 | Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities | Chapter 4 - 1.2 |
| E5-1 | Policies related to resource use and circular economy | Chapter 4 - 2.5.1.1; 2.5.2.1; 2.5.3.1 |
| E5-2 | Actions and resources related to resource use and circular economy | Chapter 4 - 2.5.1.2; 2.5.2.2; 2.5.3.2 |
| E5-3 | Targets related to resource use and circular economy | Chapter 4 - 2.5.1.3; 2.5.2.3; 2.5.3.3 |
| E5-4 | Resource inflows | Chapter 4 - 2.5.1.3 |
| E5-5 | Resource outflows | Chapter 4 - 2.5.3.3 |
| E5-6 | Anticipated financial effects from material resource use and circular economy-related risks and opportunities | Phased-in |

## Social information

| ESRS S1 | Own workforce | Section of the Universal Registration Document |
|---|---|---|
| ESRS 2, SBM-2 | Interests and views of stakeholders | Chapter 4 - 1.1.2; 3.1.1 |
| ESRS 2, SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model | Chapter 4 - 1.2 |
| S1-1 | Policies related to own workforce | Chapter 4 - 3.1.3.1: 3.1.4.1; 3.1.5.1; 3.1.6.1; 3.1.7.1 |
| S1-2 | Processes for engaging with own workers and workers' representatives about impacts | Chapter 4 - 3.1.2 |
| S1-3 | Processes to remediate negative impacts and channels for own workers to raise concerns | Chapter 4 - 3.1.2 |
| S1-4 | Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions | Chapter 4 - 3.1.3.2: 3.1.4.2; 3.1.5.2; 3.1.6.2; 3.1.7.2 |
| S1-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | Chapter 4 - 3.1.3.3: 3.1.4.3; 3.1.5.3; 3.1.6.3; 3.1.7.3 |
| S1-6 | Characteristics of Kering's employees | Chapter 4 - 3.1.8.1 |
| S1-7 | Characteristics of non-employee workers in Kering's own workforce | Phased-in |
| S1-8 | Collective bargaining coverage and social dialogue | Chapter 4 - 3.1.8.2 |
| S1-9 | Diversity metrics | Chapter 4 - 3.1.8.1 |
| S1-10 | Adequate wages | Chapter 4 - 3.1.8.4 |
| S1-11 | Social protection | Phased-in |
| S1-12 | Persons with disabilities | Chapter 4 - 3.1.4.2 |
| S1-13 | Training and skills development metrics | Chapter 4 - 3.1.8.1 |
| S1-14 | Health and safety metrics | Chapter 4 - 3.1.8.3 |
| S1-15 | Work-life balance metrics | Phased-in |
| S1-16 | Compensation metrics (pay gap and total compensation) | Chapter 4 - 3.1.8.4 |
| S1-17 | Incidents, complaints and severe human rights impacts | Chapter 4 - 3.1.8.5 |

| ESRS S2 | Workers in the value chain | Section of the Universal Registration Document |
|---|---|---|
| ESRS 2 SBM-2 | Interests and views of stakeholders | Chapter 4 - 1.1.2; 3.2.1 |
| ESRS 2 SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model(s) | Chapter 4 - 1.2 |
| S2-1 | Policies related to value chain workers | Chapter 4 - 3.2.2.1 |
| S2-2 | Processes for engaging with value chain workers about impacts | Chapter 4 - 3.2.1.2 |
| S2-3 | Processes to remediate negative impacts and channels for value chain workers to raise concerns | Chapter 4 - 3.2.1.3 |
| S2-4 | Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of actions | Chapter 4 - 3.2.2.2 |
| S2-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | Chapter 4 - 3.2.2.3 |

| ESRS S3 | Affected communities | Section of the Universal Registration Document |
|---|---|---|
| ESRS 2 SBM-2 | Interests and views of stakeholders | Chapter 4 - 1.1.2; 3.3.1 |
| ESRS 2 SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model(s) | Chapter 4 - 1.2 |
| S3-1 | Policies related to affected communities | Chapter 4 - 3.3.3.1; 3.3.4.1 |
| S3-2 | Processes for engaging with affected communities about impacts | Chapter 4 - 3.3.2.1 |
| S3-3 | Processes to remediate negative impacts and channels for affected communities to raise concerns | Chapter 4 - 3.3.2.2 |
| S3-4 | Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of actions | Chapter 4 - 3.3.3.2; 3.3.4.2 |
| S3-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | Chapter 4 - 3.3.3.3; 3.3.4.3 |

| ESRS S4 | Consumers and end-users | Section of the Universal Registration Document |
|---|---|---|
| ESRS 2 SBM-2 | Interests and views of stakeholders | Chapter 4 - 1.1.2; 3.4.1 |
| ESRS 2 SBM-3 | Material IRO and their interaction with strategy and business model(s) | Chapter 4 - 1.2 |
| S4-1 | Policies related to consumers and end users | Chapter 4 - 3.4.2.1; 3.4.3.1; 3.4.4.1 |
| S4-2 | Processes for engaging with consumers and end-users about impacts | Chapter 4 - 3.4.1.2 |
| S4-3 | Processes to remediate negative impacts and channels for customers and end-users to raise concerns | Chapter 4 - 3.4.1.2 |
| S4-4 | Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of actions | Chapter 4 - 3.4.2.2; 3.4.3.2; 3.4.4.2 |
| S4-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | Chapter 4 - 3.4.2.3; 3.4.3.3; 3.4.4.3 |

## Governance information

| ESRS G1 | Business conduct | Section of the Universal Registration Document |
|---|---|---|
| ESRS 2, GOV-1 | The role of the administrative, supervisory and management bodies | Chapter 4 - 4.1.1 |
| ESRS 2, IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities | Chapter 4 - 1.2 |
| G1-1 | Business conduct policies and corporate culture | Chapter 4 - 4.1.2 |
| G1-2 | Management of relationships with suppliers | Chapter 4 - 4.2 |
| G1-3 | Prevention and detection of corruption and bribery | Chapter 4 - 4.1.2 |
| G1-4 | Incidents of corruption or bribery | Chapter 4 - 4.1.4.1 |
| G1-5 | Political influence and lobbying activities | Chapter 4 - 4.4 |
| G1-6 | Payment practices | Chapter 4 - 4.2 |

## 5.4.2 Datapoints deriving from other EU legislation

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Section of the Universal Registration Document |
|---|---|---|---|---|---|
| ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d) | Indicator number 13 of Table #1 of Annex 1 | | Commission Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 1.3.1; 1.3.2 |
| ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e) | | | Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 1.3.1 |
| ESRS 2 GOV-4 Statement on due diligence paragraph 30 | Indicator number 10 Table #3 of Annex 1 | | | | Chapter 4 - 1.3.5 |
| ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i | Indicator number 4 Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/245328 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk | Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 1.1.1 |
| ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii | Indicator number 9 Table #2 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 1.1.1 |
| ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii | Indicator number 14 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/181829, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 1.1.1 |
| ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv | | | Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 1.1.1 |
| ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14 | | | | Regulation (EU) 2021/1119, Article 2(1) | Chapter 4 - 2.1.3 |
| ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2 | | N/A |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Section of the Universal Registration Document |
|---|---|---|---|---|---|
| ESRS E1-4 GHG emission reduction targets paragraph 34 | Indicator number 4 Table #2 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 6 | | Chapter 4 - 2.1.3; 2.1.4.3 |
| ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38 | Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1 | | | | Chapter 4 - 2.1.7 |
| ESRS E1-5 Energy consumption and mix paragraph 37 | Indicator number 5 Table #1 of Annex 1 | | | | Chapter 4 - 2.1.7 |
| ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43 | Indicator number 6 Table #1 of Annex 1 | | | | N/A |
| ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44 | Indicators number 1 and 2 Table #1 of Annex 1 | Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1) | | Chapter 4 - 2.1.6 |
| ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55 | Indicator number 3 Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 8(1) | | Chapter 4 - 2.1.6 |
| ESRS E1-7 GHG removals and carbon credits paragraph 56 | | | | Regulation (EU) 2021/1119, Article 2(1) | Chapter 4 - 2.1.8 |
| ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66 | | | Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 2.1.2 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Section of the Universal Registration Document |
|---|---|---|---|---|---|
| ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c). | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk. | | | Phased-in |
| ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c). | | Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral | | | Phased-in |
| ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69 | | | Delegated Regulation (EU) 2020/1818, Annex II | | Phased-in |
| ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 | Indicator number 8, Table #1, of Annex 1; Indicator number 2, Table #2, of Annex 1, Indicator number 1, Table #2, of Annex 1; Indicator number 3, Table #2, of Annex 1 | | | | Chapter 4 - 2.2.3 |
| ESRS E3-1 Water and marine resources paragraph 9 | Indicator number 7 Table #2 of Annex 1 | | | | Chapter 4 - 2.3.2 |
| ESRS E3-1 Dedicated policy paragraph 13 | Indicator number 8 Table 2 of Annex 1 | | | | Chapter 4 - 2.3.2 |
| ESRS E3-1 Sustainable oceans and seas paragraph 14 | Indicator number 12 Table #2 of Annex 1 | | | | Not material |
| ESRS E3-4 Total water recycled and reused paragraph 28 (c) | Indicator number 6.2 Table #2 of Annex 1 | | | | Chapter 4 - 2.3.4.2 |
| ESRS E3-4 Total water consumption in $m^3$ per net revenue on own operations paragraph 29 | Indicator number 6.1 Table #2 of Annex 1 | | | | Chapter 4 - 2.3.4.2 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Section of the Universal Registration Document |
|---|---|---|---|---|---|
| ESRS 2-SBM 3 - E4 paragraph 16 (a) i | Indicator number 7 Table #1 of Annex 1 | | | | Chapter 4 - 2.4.1 |
| ESRS 2- SBM 3 - E4 paragraph 16 (b) | Indicator number 10 Table #2 of Annex 1 | | | | Chapter 4 - 2.4.1 |
| ESRS 2- SBM 3 - E4 paragraph 16 (c) | Indicator number 14 Table #2 of Annex 1 | | | | Chapter 4 - 2.4.1 |
| ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24 (b) | Indicator number 11 Table #2 of Annex 1 | | | | Chapter 4 - 2.4.2 |
| ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c) | Indicator number 12 Table #2 of Annex 1 | | | | Chapter 4 - 2.4.2 |
| ESRS E4-2 Policies to address deforestation paragraph 24 (d) | Indicator number 15 Table #2 of Annex 1 | | | | Chapter 4 - 2.4.2 |
| ESRS E5-5 Non-recycled waste paragraph 37 (d) | Indicator number 13 Table #2 of Annex 1 | | | | Chapter 4 - 2.5.3.3 |
| ESRS E5-5 Hazardous waste and radioactive waste paragraph 39 | Indicator number 9 Table #1 of Annex 1 | | | | Chapter 4 - 2.5.3.3 |
| ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f) | Indicator number 13 Table #3 of Annex I | | | | Chapter 4 - 3.1.1 |
| ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g) | Indicator number 12 Table #3 of Annex I | | | | Chapter 4 - 3.1.1 |
| ESRS S1-1 Human rights policy commitments paragraph 20 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I | | | | Chapter 4 - 3.1.7 |
| ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21 | | | Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 3 |
| ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22 | Indicator number 11 Table #3 of Annex I | | | | Chapter 4 - 3.1.7 |
| ESRS S1-1 workplace accident prevention policy or management system paragraph 23 | Indicator number 1 Table #3 of Annex I | | | | Chapter 4 - 3.1.3 |
| ESRS S1-3 grievance/ complaints handling mechanisms paragraph 32 (c) | Indicator number 5 Table #3 of Annex I | | | | Chapter 4 - 3.1.2 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Section of the Universal Registration Document |
|---|---|---|---|---|---|
| ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c) | Indicator number 2 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 3.1.8.3 |
| ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e) | Indicator number 3 Table #3 of Annex I | | | | N/A |
| ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a) | Indicator number 12 Table #1 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 3.1.8.4 |
| ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b) | Indicator number 8 Table #3 of Annex I | | | | Chapter 4 - 3.1.8.4 |
| ESRS S1-17 Incidents of discrimination paragraph 103 (a) | Indicator number 7 Table #3 of Annex I | | | | Chapter 4 - 3.1.8.5 |
| ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a) | Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1) | | Chapter 4 - 3.1.8.5 |
| ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b) | Indicators number 12 and n. 13 Table #3 of Annex I | | | | Chapter 4 - 3.2.1 |
| ESRS S2-1 Human rights policy commitments paragraph 17 | Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1 | | | | Chapter 4 - 3.2.2.1 |
| ESRS S2-1 Policies related to value chain workers paragraph 18 | Indicator number 11 and n. 4 Table #3 of Annex 1 | | | | Chapter 4 - 3.2.2.1 |
| ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19 | Indicator number 10 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | Chapter 4 - 3.2.2.1 |
| ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19 | | | Delegated Regulation (EU) 2020/1816, Annex II | | Chapter 4 - 3.2.2.1 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Section of the Universal Registration Document |
|---|---|---|---|---|---|
| ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36 | Indicator number 14 Table #3 of Annex 1 | | | | Chapter 4 - 3.2.2.3 |
| ESRS S3-1 Human rights policy commitments paragraph 16 | Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1 | | | | Chapter 4 - 3.3.3.1 |
| ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17 | Indicator number 10 Table #1 Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | Chapter 4 - 3.3.3.1 |
| ESRS S3-4 Human rights issues and incidents paragraph 36 | Indicator number 14 Table #3 of Annex 1 | | | | Chapter 4 - 3.3.3.3 |
| ESRS S4-1 Policies related to consumers and end-users paragraph 16 | Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1 | | | | Chapter 4 - 3.4.2.1; 3.4.3.1; 3.4.4.1 |
| ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17 | Indicator number 10 Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | Chapter 4 - 3.4.1.2 |
| ESRS S4-4 Human rights issues and incidents paragraph 35 | Indicator number 14 Table #3 of Annex 1 | | | | Chapter 4 - 3.4.1.2 |
| ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b) | Indicator number 15 Table #3 of Annex 1 | | | | Chapter 4 - 4.1.2 |
| ESRS G1-1 Protection of whistle-blowers paragraph 10 (d) | Indicator number 6 Table #3 of Annex 1 | | | | Chapter 4 - 4.1.2 |
| ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a) | Indicator number 17 Table #3 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II) | | Chapter 4 - 4.1.2.2 |
| ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b) | Indicator number 16 Table #3 of Annex 1 | | | | Chapter 4 - 4.1.4.1 |

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