

A photograph of a lavender field in the foreground, with a large, multi-story building with a red-tiled roof and a tall spire in the background under a clear blue sky. The lavender plants are in sharp focus, while the building is slightly blurred.

**KERING ESG PRESENTATION  
SEPTEMBER 2023**



# SUMMARY

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## 1. GROUP PRESENTATION & STRATEGY

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## 2. GOVERNANCE

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## 3. SUSTAINABILITY

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## 4. PEOPLE

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# SUMMARY

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**1. GROUP PRESENTATION & STRATEGY**

2. GOVERNANCE

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3. SUSTAINABILITY

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4. PEOPLE

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“

Our ambition: to be the world's  
most influential Luxury group  
in terms of creativity,  
sustainability and long-term  
financial performance

”



# A TRANSFORMATION JOURNEY INTO A LEADING PURE LUXURY PLAYER



From a diversified conglomerate into a **pure Luxury player**



**Steering our Houses** in their next stages of growth to **unleash their full potential**



**Expanding** into newer high-growth Luxury segments



**Investing** in supply chain, logistics, and digital capabilities



K E R I N G

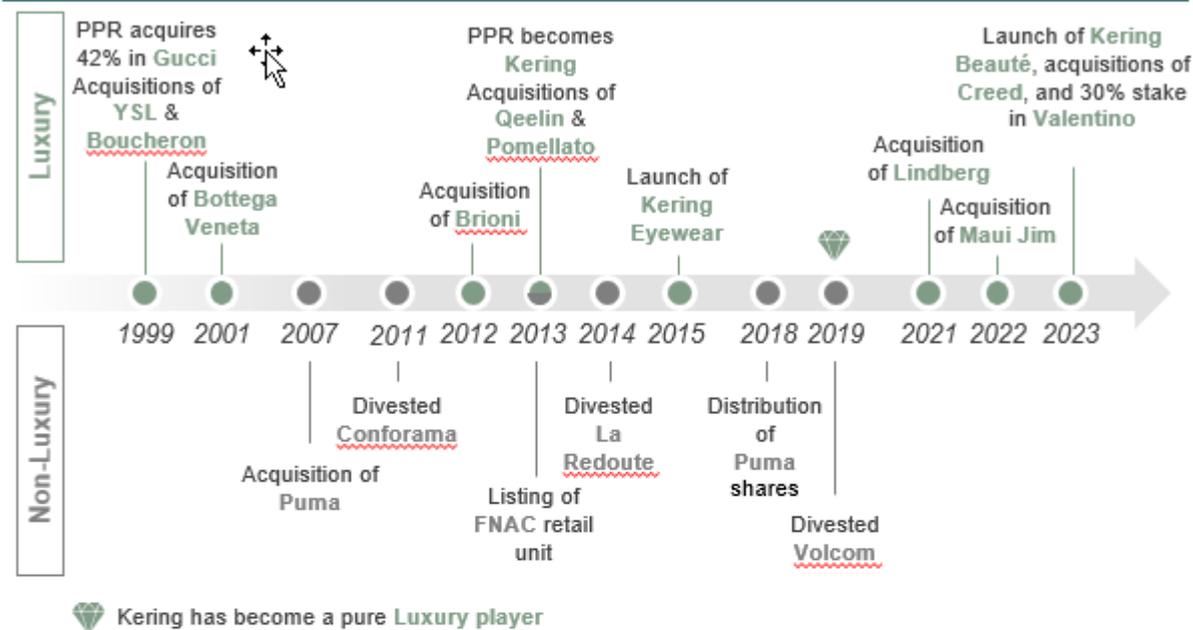


Kering has become a leading **pure Luxury player**, focused on **long-term value creation**

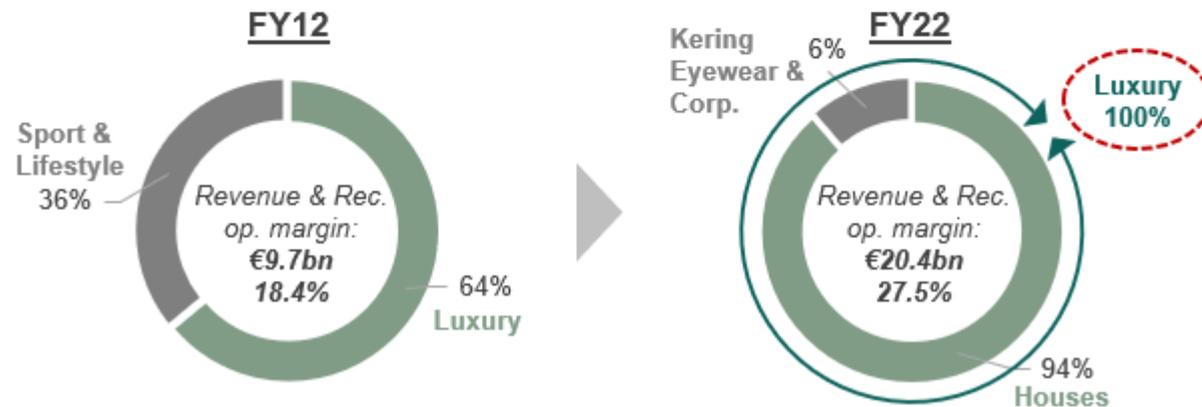


# KERING HAS BECOME A PURE LUXURY PLAYER

## TRANSFORMATION TIMELINE OVERVIEW



## REVENUE BREAKDOWN AND MARGIN EXPANSION

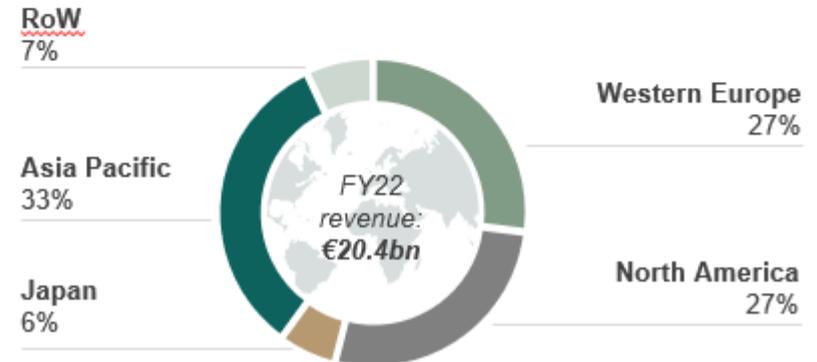


## CREATING AND SHARING VALUE FOR THE LONG TERM

- Over the past years, **Kering** has transformed from a diversified conglomerate into a **pure Luxury player**, with a well-balanced geographical exposure, which has translated into superior growth and margin expansion
- Market Capitalization tripled in 10 years:** from €17.8bn in YE12 to €59.0bn in YE22
- Kering Dividend Per Share (DPS) has increased by a 16% CAGR since 2013**
- Shareholder return:** (i) a sustainable dividend growth and stable payout ratio of c. 50% of net income\* and available cash flow, as well as (ii) incremental share repurchase programs

\* Group share, excluding non-recurring items

## A WELL-BALANCED GEOGRAPHICAL EXPOSURE



## 2022 KEY FIGURES

### GROUP REVENUE

**€20,351m**

+15% reported vs. 2021  
+9% comparable<sup>(1)</sup> vs. 2021

### GROUP RECURRING OPERATING INCOME

**€5,589m**

+11% vs. 2021  
27.5% recurring operating margin

### NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

**€3,614m**

+14% reported vs. 2021

### FREE CASH FLOW FROM OPERATIONS

**€3,208m**

### EMPLOYEES

**47,227**

*as of Dec. 31, 2022*

57% women managers  
within the Group

### SUSTAINABILITY

**-50%**

Environmental footprint (EP&L)<sup>(2)</sup>

**A List**

CDP 2022 – Climate

**10<sup>th</sup> year**

in DJSI

2022 figures

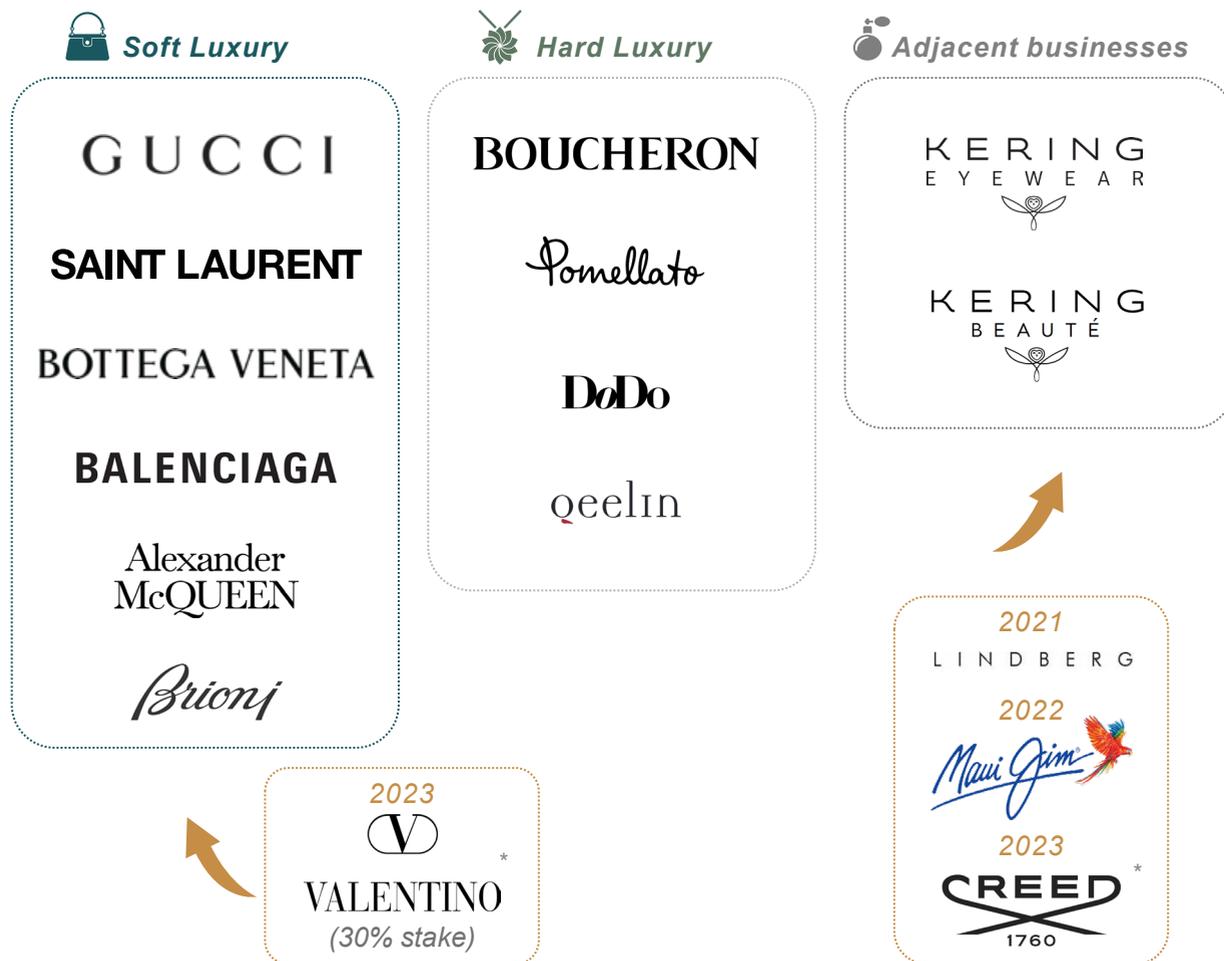
(1) At constant scope and exchange rates

(2) EP&L intensity 2015-2022

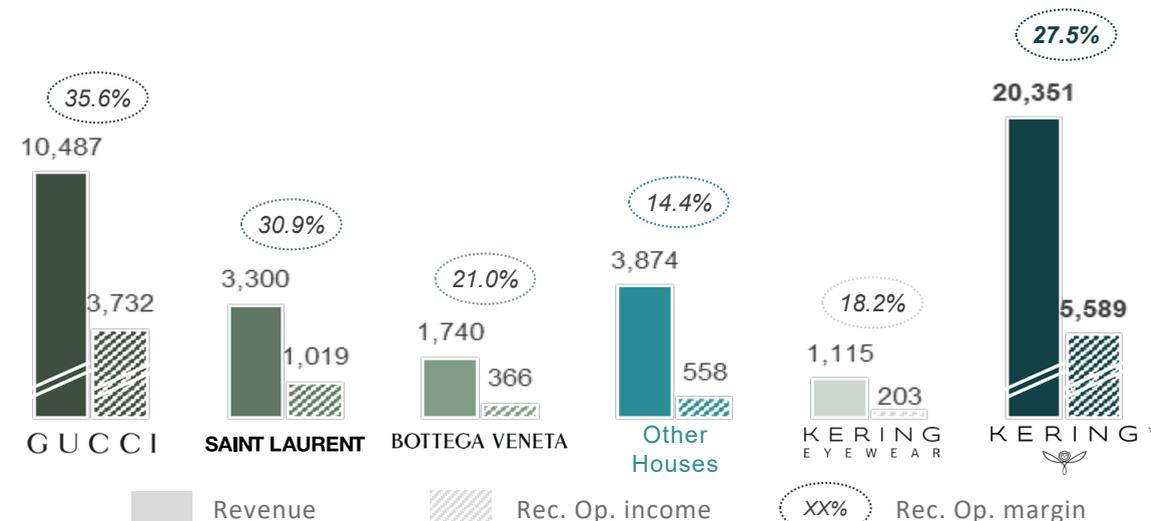


# A COMPLEMENTARY ENSEMBLE OF ICONIC LUXURY HOUSES

## OUR HOUSES



## DIFFERENT SCALES AND MATURITY (FY22 Revenue and Recurring Operating income in €m)



\* Kering Group includes corporate costs and eliminations.

- Kering operates a complementary ensemble of **iconic Luxury Houses** and has recently **expanded** in newer high-growth segments: **Eyewear** and **Beauté**
- Kering focuses on **nurturing its Houses**, fostering organic growth, but is also looking to **seize opportunities** as part of its disciplined M&A strategy

**Recent acquisitions**

\* Transaction subject to clearance by the relevant competition authorities

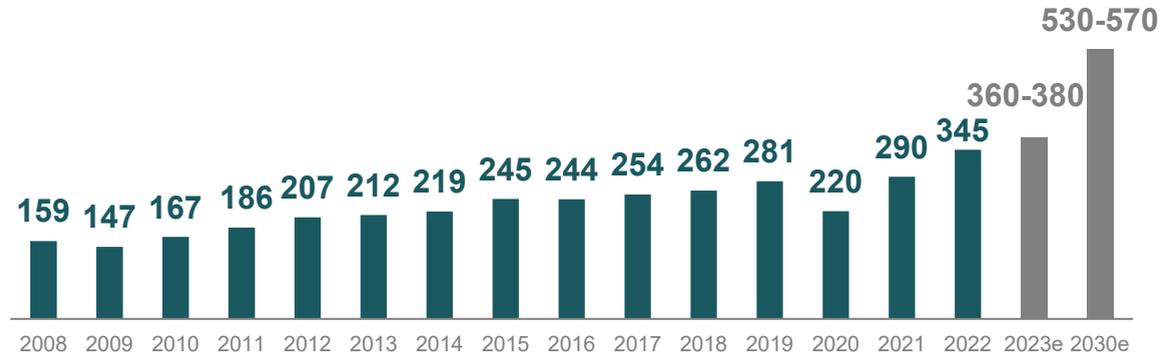


# LUXURY INDUSTRY HAS RADICALLY CHANGED OVER THE PAST DECADE AND WILL CONTINUE TO DO SO

## PERSONAL LUXURY GOODS MARKET

In €bn

Source: Bain/Altagamma, June 2023



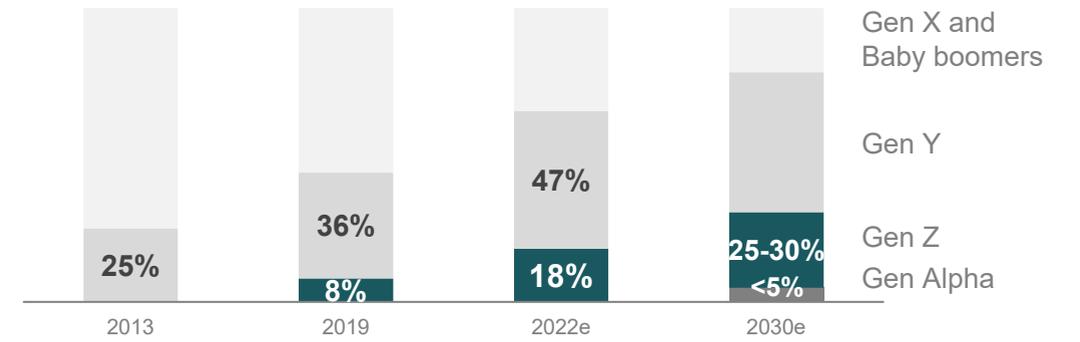
CAGR 2008-2019: +5%

2021-2022: +12% at constant exch. rates

CAGR 2022e-2030e: 5/7%

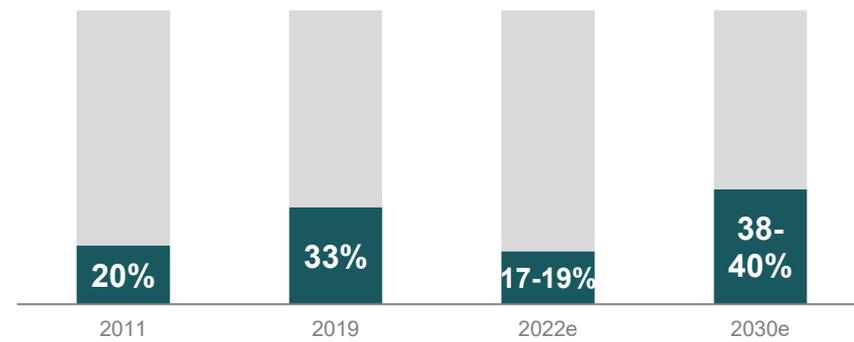
Share by generation

Source: Bain/Altagamma, January 2023



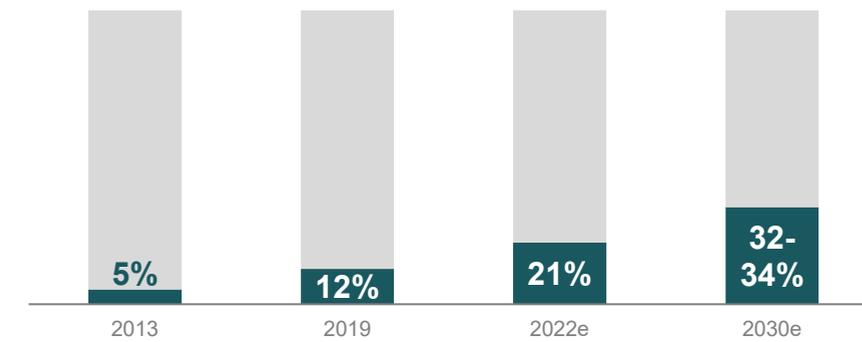
Share of Chinese spending

Source: Bain/Altagamma, January 2023



Share of Online channel

Source: Bain/Altagamma, January 2023



# WE SHARE THE VALUE WE CREATE



## WITH OUR EMPLOYEES

**€2,830M**

*personnel expenses*

**606,404**

*hours of training*

**80%**

*of employees eligible to  
KeringForYou  
share ownership plan*



## WITH SOCIETY

**€1,746M**

*income taxes paid<sup>(2)</sup>*

**€17M**

*philanthropic contributions<sup>(3)</sup>*



## WITH OUR SUPPLIERS

**€5,153M**

*in costs of sales*

**Long-term  
partnerships**

*14-year average  
relationship length<sup>(1)</sup>*

**40,000**

*jobs dedicated to Kering at  
our suppliers*



## WITH OUR SHAREHOLDERS

**€1,528M**

*in dividends paid<sup>(4)</sup>*

**+20%**

*average dividend per share growth  
(2015-2022)*

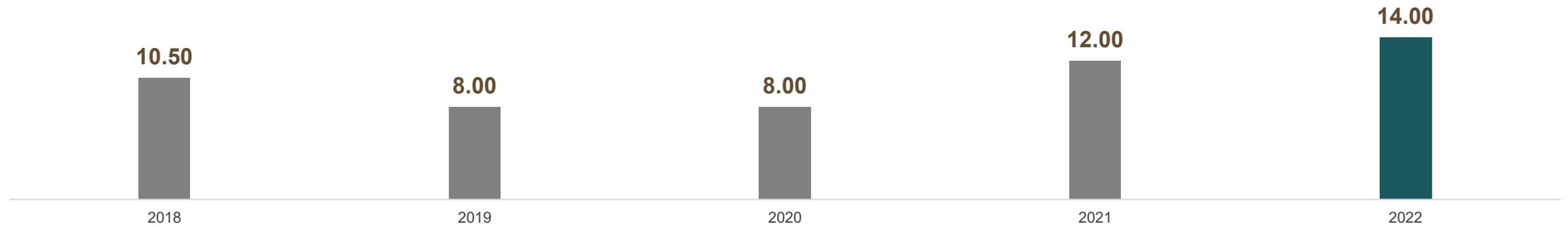
- (1) applicable for Gucci Leather Goods & Shoes suppliers
- (2) in accordance with the IAS 12 norm
- (3) including €2 millions from the Kering Foundation
- (4) of which €1,483M to Kering SA Shareholders

Source: URD 2022 Data



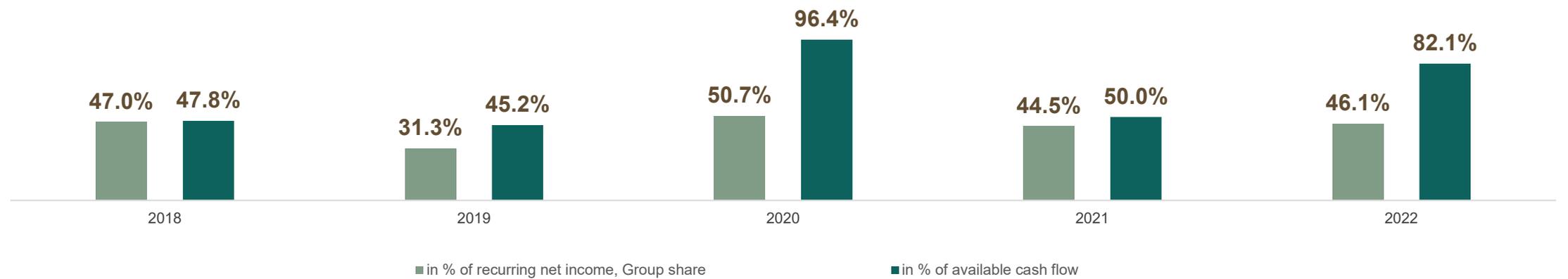
## DIVIDEND UP 17%

### DIVIDEND PER SHARE (In €)



€4.50 per share interim dividend paid on January 18, 2023  
€9.50 per share balance paid on May 4, 2023

### DIVIDEND PAYOUT



# SUMMARY

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1. GROUP PRESENTATION & STRATEGY

**2. GOVERNANCE**

3. SUSTAINABILITY

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4. PEOPLE

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# GOVERNANCE

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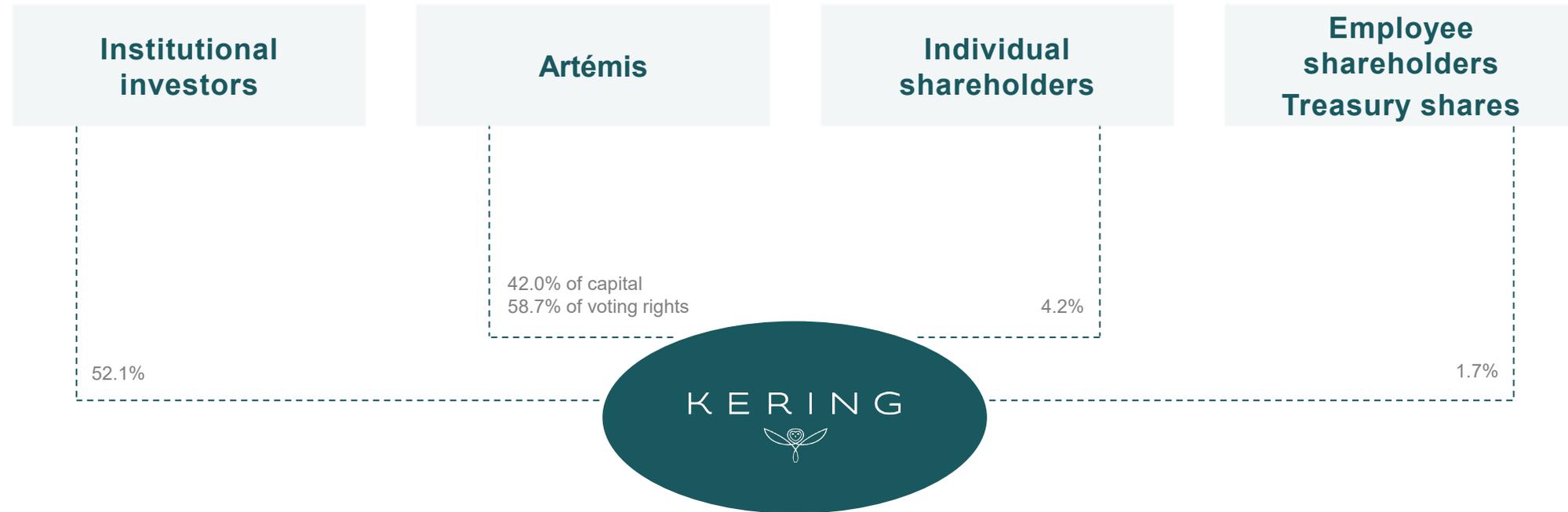
**Kering's  
governance**



**Kering's strategy  
& performance  
driving management  
compensation**



## A GROUP DEFINED BY ENTREPRENEURIAL SPIRIT



**STABLE FAMILY SHAREHOLDING WITH LONG-TERM STRATEGY**

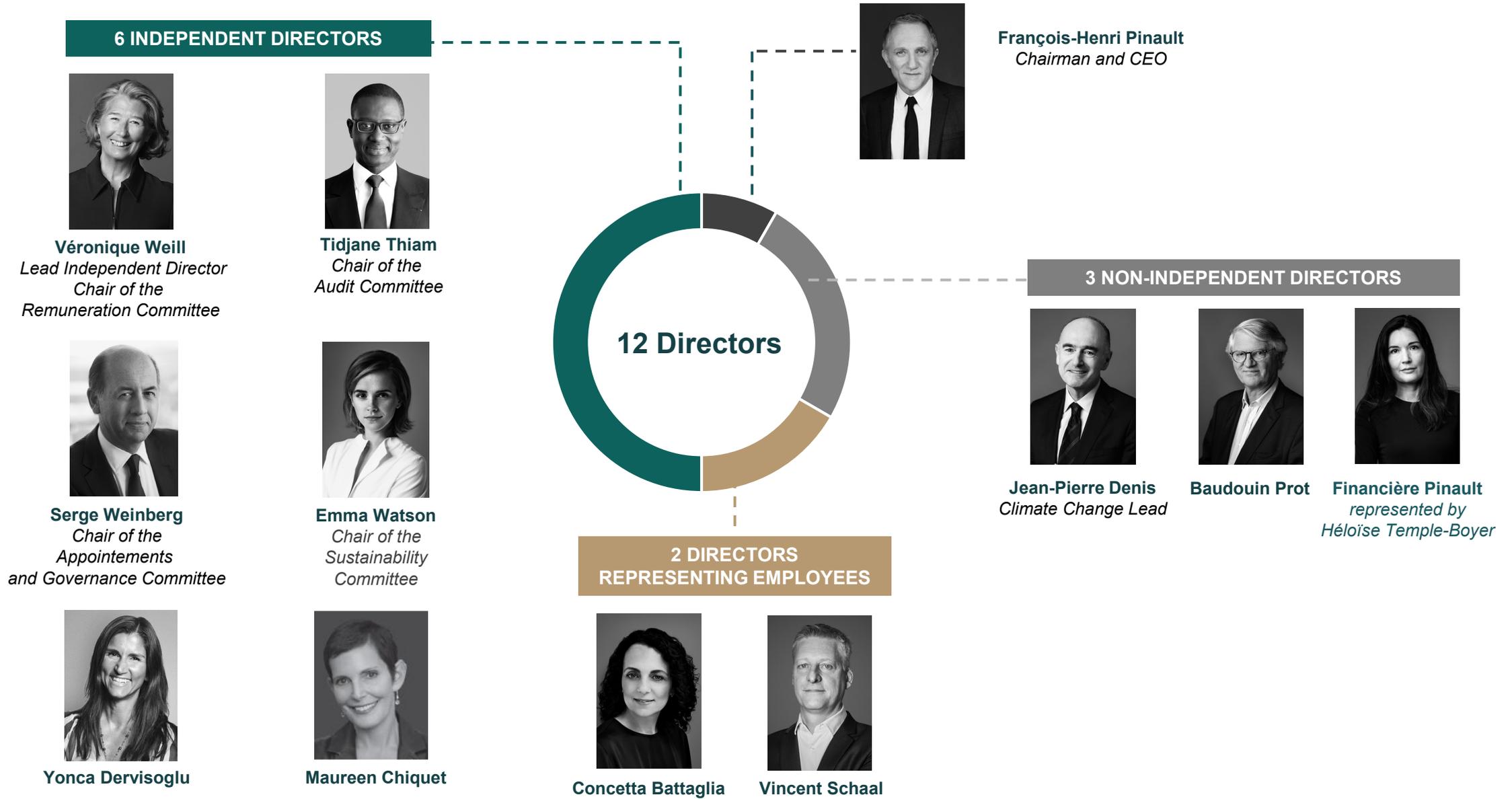
**STRONG INSTITUTIONAL INVESTOR BASE ALIGNED WITH THE GROUP'S  
WORLDWIDE PRESENCE**

**LISTED ON EURONEXT PARIS AND INCLUDED IN CAC 40, CAC 40 ESG,  
EURO STOXX 50 INDICES**

% of share capital held as of Dec. 31, 2022 (source: shareholders' identification)



# MEMBERSHIP OF THE BOARD OF DIRECTORS AS OF OCTOBER 3, 2023



## KEY FIGURES RELATED TO THE BOARD OF DIRECTORS

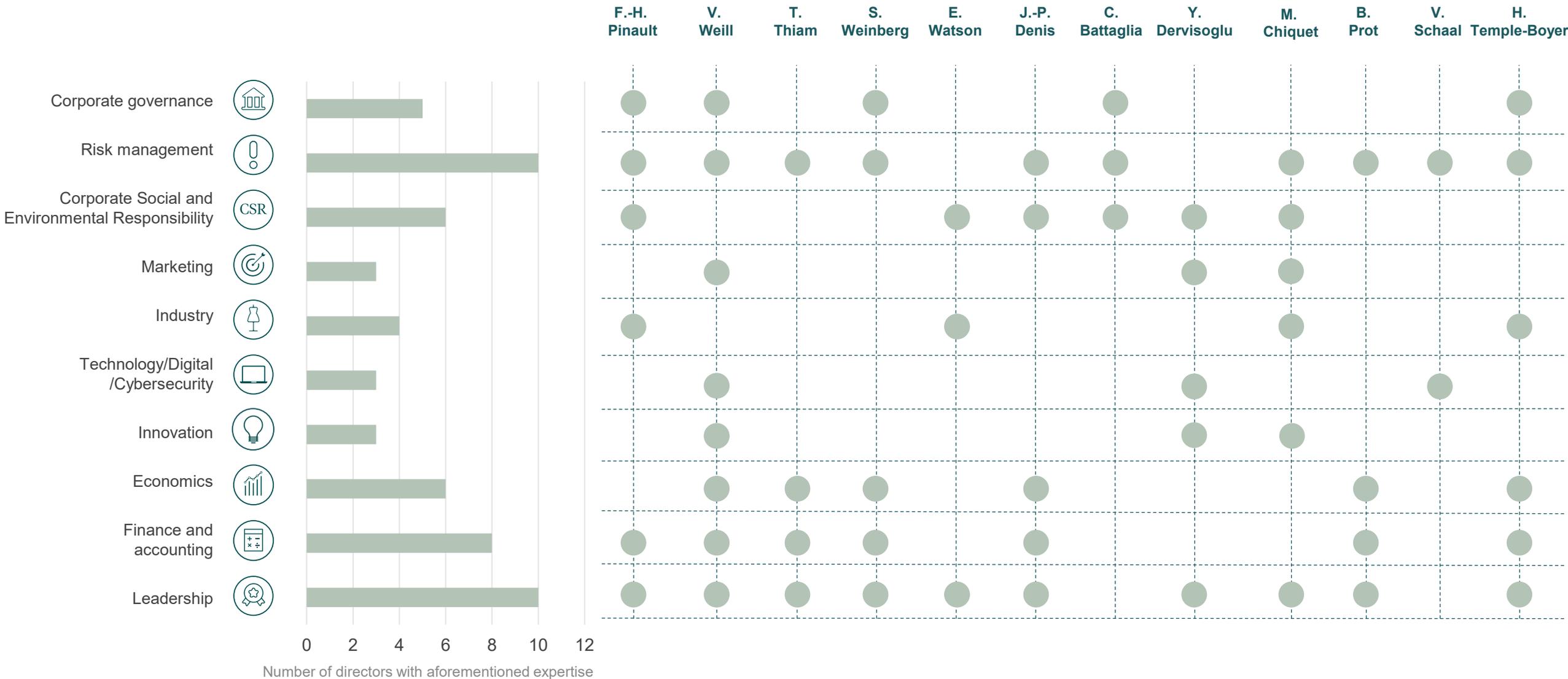
		2010	2015	2021	As of October 3, 2023
	<b>TOTAL NUMBER OF DIRECTORS</b>	<b>14</b>	<b>10</b>	<b>13</b>	<b>12</b>
	<b>INDEPENDENCE<sup>(1)</sup></b>	<b>57%</b>	<b>40%</b>	<b>55%</b>	<b>60%</b>
	<b>PROPORTION OF WOMEN<sup>(1)</sup></b>	<b>28%</b>	<b>30%</b>	<b>55%</b>	<b>50%</b>
	<b>AVERAGE AGE</b>	<b>55</b>	<b>57</b>	<b>54</b>	<b>57</b>
	<b>NATIONALITIES REPRESENTED</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>6</b>

(1) In accordance with the provisions of the AFEP-MEDEF Code, the Directors representing employees are not included in the calculation.



# DEPTH AND BREADTH OF DIRECTOR SKILLS AS OF OCTOBER 3, 2023

**KERING'S DIRECTORS COLLECTIVELY REPRESENT A DEEP, DIVERSE MIX OF SKILLS AND EXPERIENCES THAT SUPPORT LONG-TERM VALUE CREATION**



# BOARD GOVERNANCE BEST PRACTICES



**Compliance with recommendations of the AFEP-MEDEF Code**



**Independence of the Board (60%\*) and its Committees (62%\* average)**



**Parity and diversity of culture and experiences**



**Lead Independent Director**



**Climate Change Lead**



**Special training of the Board on CSR and climate issues**



**Strong expertise and support of Board's Committees**

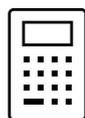


**Annual assessment of the Board's composition and functioning**

\* In accordance with the AFEP-MEDEF Code, the Directors representing employees are not included in the calculation.



## BOARD COMMITTEES AS OF OCTOBER 3, 2023



### AUDIT COMMITTEE

**Tidjane THIAM**  
(Independent Chair of the Committee)

Jean-Pierre DENIS (CCL)

Financière Pinault, represented by  
Héloïse TEMPLE-BOYER

Véronique WEILL (LID)

Serge WEINBERG (I)

**60% independence**



### REMUNERATION COMMITTEE

**Véronique WEILL**  
(Lead Independent Director, Chair of the Committee)

Jean-Pierre DENIS (CCL)

Financière Pinault, represented by  
Héloïse TEMPLE-BOYER

Vincent SCHAAL (DRE)

Serge WEINBERG (I)

Tidjane THIAM (I)

**60%\* independence**



### APPOINTMENTS & GOVERNANCE COMMITTEE

**Serge WEINBERG**  
(Independent Chair of the Committee)

Concetta BATTAGLIA (DRE)

Yonca DERVISOGLU (I)

Financière Pinault, represented by  
Héloïse TEMPLE-BOYER

Baudoin PROT

Véronique WEILL (LID)

**60%\* independence**



### SUSTAINABILITY COMMITTEE

**Emma WATSON**  
(Independent Chair of the Committee)

François-Henri PINAULT  
(Chairman & CEO)

Concetta BATTAGLIA (DRE)

Jean-Pierre DENIS (CCL)

Maureen CHIQUET (I)

Yonca DERVISOGLU (I)

Véronique WEILL (LID)

**67%\* independence**

CCL = Climate Change Lead  
LID = Lead Independent Director  
I = Independent Director  
DRE = Director representing employees

\* In accordance with the AFEP-MEDEF Code, the Directors representing employees are not included in the calculation.

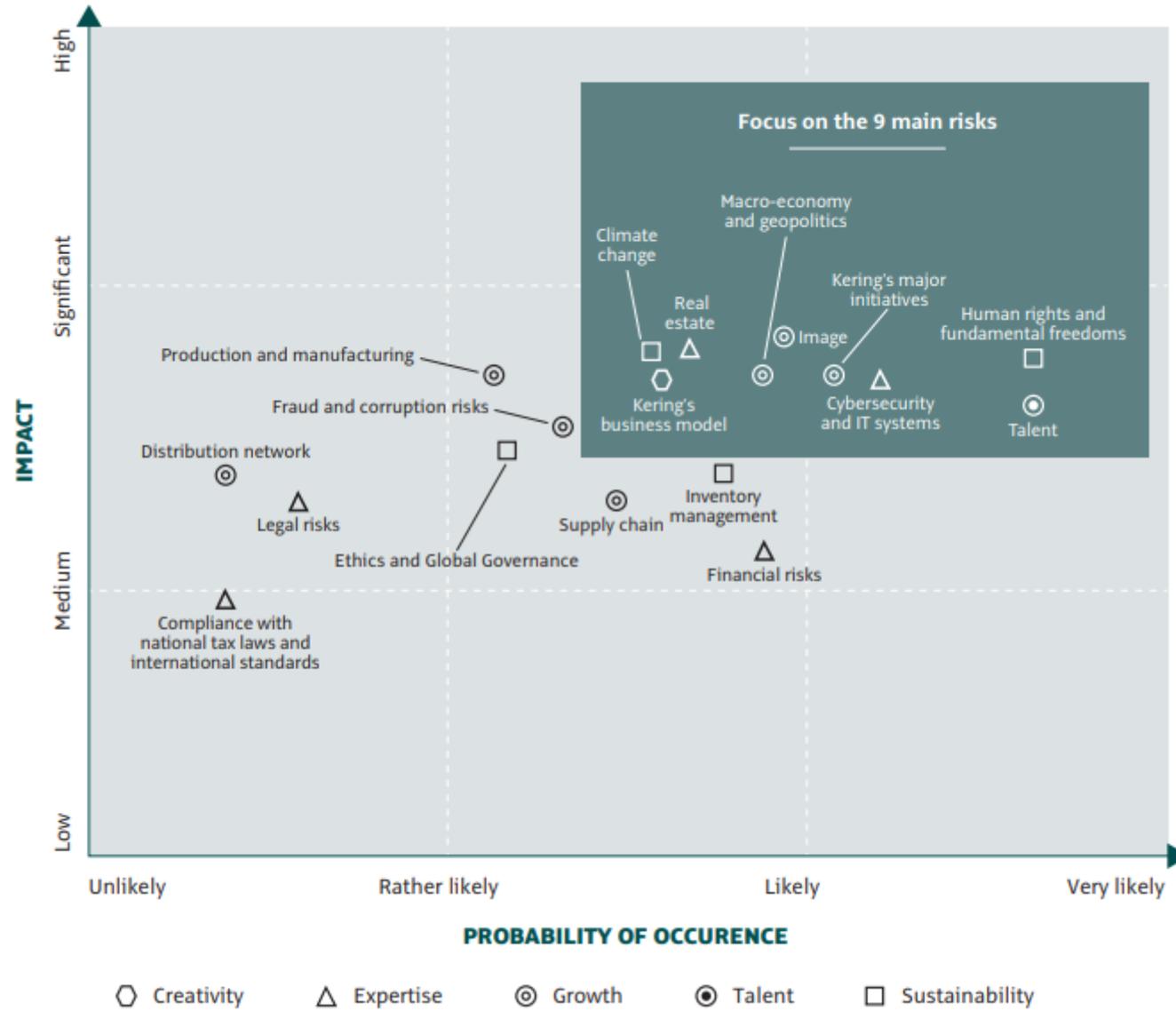


# BOARD GOVERNANCE – RISK OVERSIGHT

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# RISK MAPPING



# STRENGTHENING GOVERNANCE AND OPERATIONS

## A NEW ORGANIZATION



*François-Henri Pinault*  
**Chairman and CEO**



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



*Jean-Marc Duplaix*  
**Deputy CEO in charge of  
Operations and Finance**

- In **July 2023**, Kering announced **top appointments** aimed at reinforcing stewardship of its Houses, further elevating operational expertise at Group level, and strengthening its organization:
  - **Francesca Bellettini**, in addition to her role of President and CEO of Saint Laurent, will be responsible for steering the Group Houses in their next stages of growth
  - **Jean-Marc Duplaix** will head all Group corporate functions and be responsible for enhancing efficiency and accountability
- In addition, **Jean-François Palus** appointed President and CEO of Gucci for a transitional period
- Also, **Armelle Poulou** appointed Group CFO, reporting to Jean-Marc Duplaix

*“We are building a **more robust organization** to fully capture the growth of the global Luxury market.”*

*François-Henri Pinault*



## A SEASONED AND DIVERSE MANAGEMENT TEAM



**François-Henri Pinault**  
Chairman and Chief Executive Officer since 2005

He joined the group in 1987 and held several senior positions before becoming Chairman and CEO of Kering in 2005. At this position, he gradually transformed Kering into a leading global Luxury group.



**Francesca Bellettini**  
Deputy CEO, Brand Development since 2023, President and Chief Executive Officer, Yves Saint Laurent since 2013

She joined Kering in 2003 and held senior positions within Gucci and Bottega Veneta Houses.



**Jean-Marc Duplaix**  
Deputy CEO, Operations and Finance since 2023

After 10 years within Arthur Anderson as auditor and financial consultant for CAC 40 companies, he acted as Deputy CFO of Groupe M6 from 2005 to 2012 and CFO of Kering from 2012 to 2023



**Grégory Boutté**  
Chief Client and Digital Officer since 2017

He joined Kering in 2017 after a career in consumer goods sector and new technologies industry.



**Valérie Duport**  
Chief Communications & Image Officer since 2016

She joined Kering in 2016 after more than 25-years within Chanel, holding several senior positions.



**Béatrice Lazat**  
Chief People Officer since 2016

She joined Kering in 2016 after more than 20-years within L'Oréal group, holding several senior positions.



**Marie-Claire Daveu**  
Chief Sustainability and Institutional Affairs Officer since 2012

She joined Kering in 2012 after handling various roles in politics for c. 10 years.



**Jean-François Palus**  
President and Chief Executive Officer, Gucci since 2023

He started his career at Arthur Anderson before joining the Group in 1991 as Deputy CFO for the timber division. After overseeing Kering's M&A operations, he became Group CFO in 2005 and was appointed Deputy CEO in 2008 until 2023.



**Raffaella Cornaggia**  
Chief Executive Officer, Kering Beauté since 2023

She joined Kering Beauté with the mission of developing the Beauty segment for the Bottega Veneta, Balenciaga, Alexander McQueen, Pomellato and Qeelin brands.



**Bartolomeo Rongone**  
Chief Executive Officer, Bottega Veneta since 2019

He joined Kering in 2012 as Chief Operating Officer of Yves Saint Laurent.



**Roberto Vedovotto**  
President and Chief Executive Officer, Kering Eyewear since 2014

He joined Kering in 2014 to create and manage Kering Eyewear after more than 10 years as CEO of Safilo.



**Cédric Charbit**  
President and Chief Executive Officer, Balenciaga since 2016

He joined Kering in 2012 as Product Strategy Director of Yves Saint Laurent.



# GOVERNANCE

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**Kering's  
governance**



**Kering's strategy  
& performance  
driving management  
compensation**



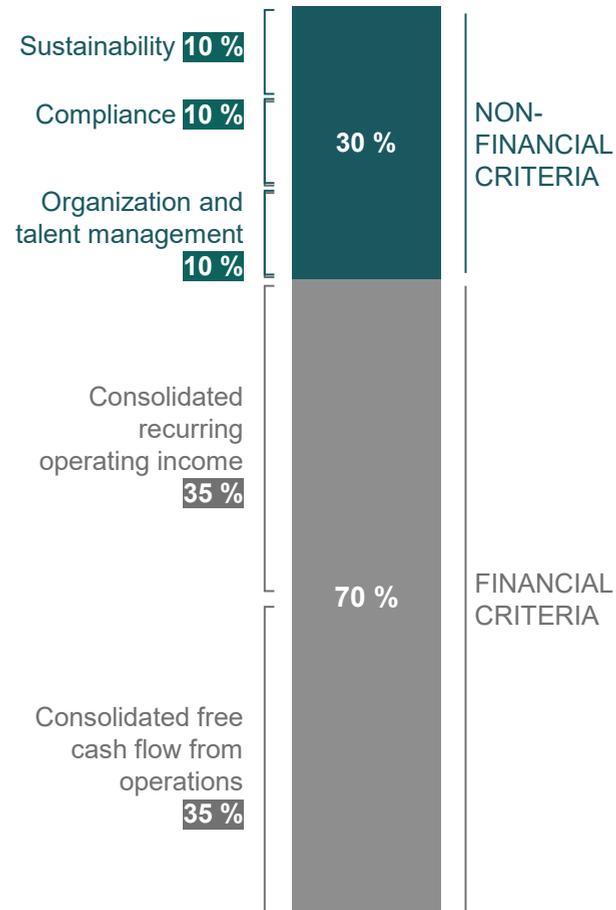
# COMPONENTS OF EXECUTIVE CORPORATE OFFICERS' REMUNERATION

## Annual fixed remuneration *(cash)*

- Based on the level and complexity of responsibilities and experience
- Alignment with market practices (peers in the CAC 40 and the international luxury market)

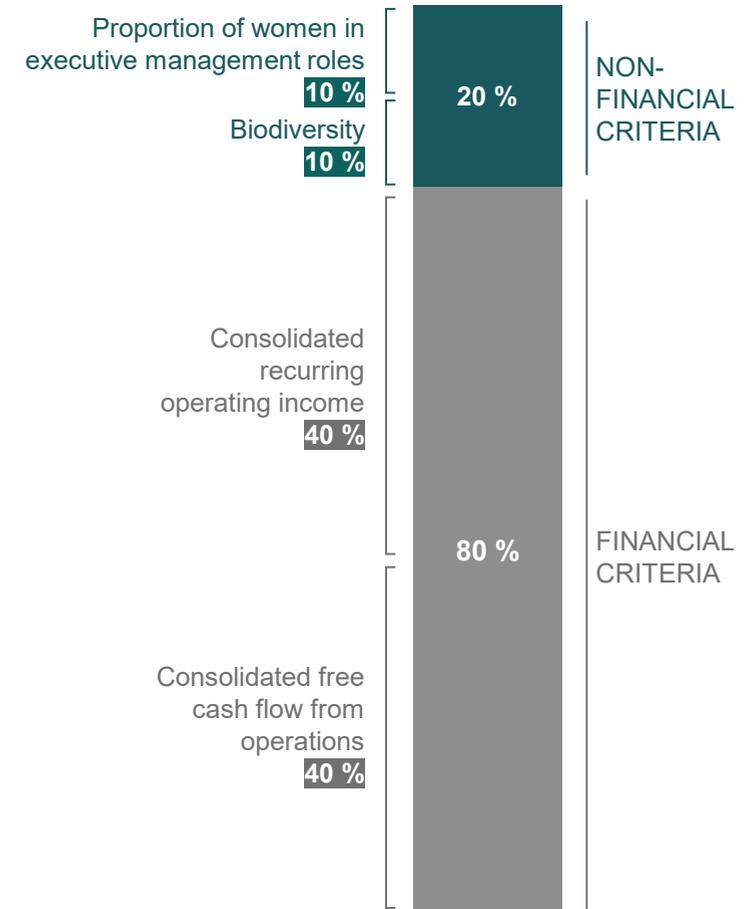
## Annual variable remuneration *(cash)*

### Performance criteria



## Multi-annual variable remuneration *(performance shares)*

### Performance criteria (3 years)



Kering share performance: +/- 50 % impact

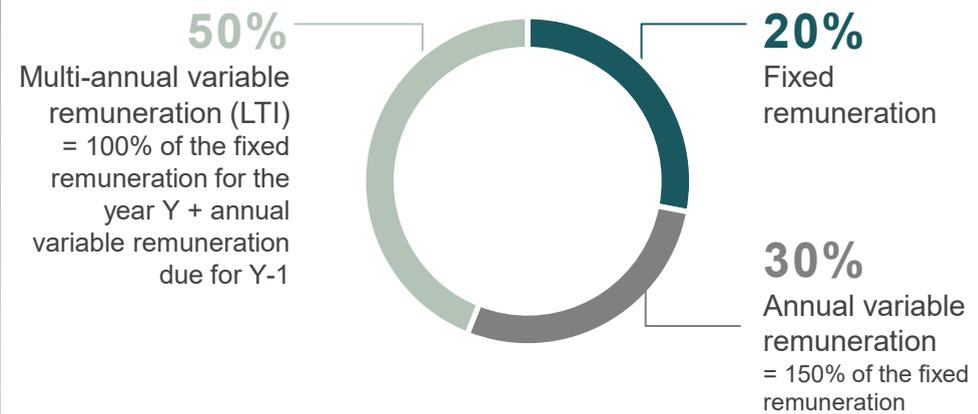


# REMUNERATION STRUCTURE FOR 2023 FOR EXECUTIVE CORPORATE OFFICERS EX-POST VOTE

## CHAIRMAN & CEO



## GROUP MANAGING DIRECTOR



## AMOUNTS AWARDED AND PAID IN 2021 AND 2022



\* The remuneration paid includes Kering Monetary Units (KMUs) granted between 2017 to 2019 whose payment was differed.

2022  
2021



# REMUNERATION STRUCTURE FOR 2023 FOR EXECUTIVE CORPORATE OFFICERS

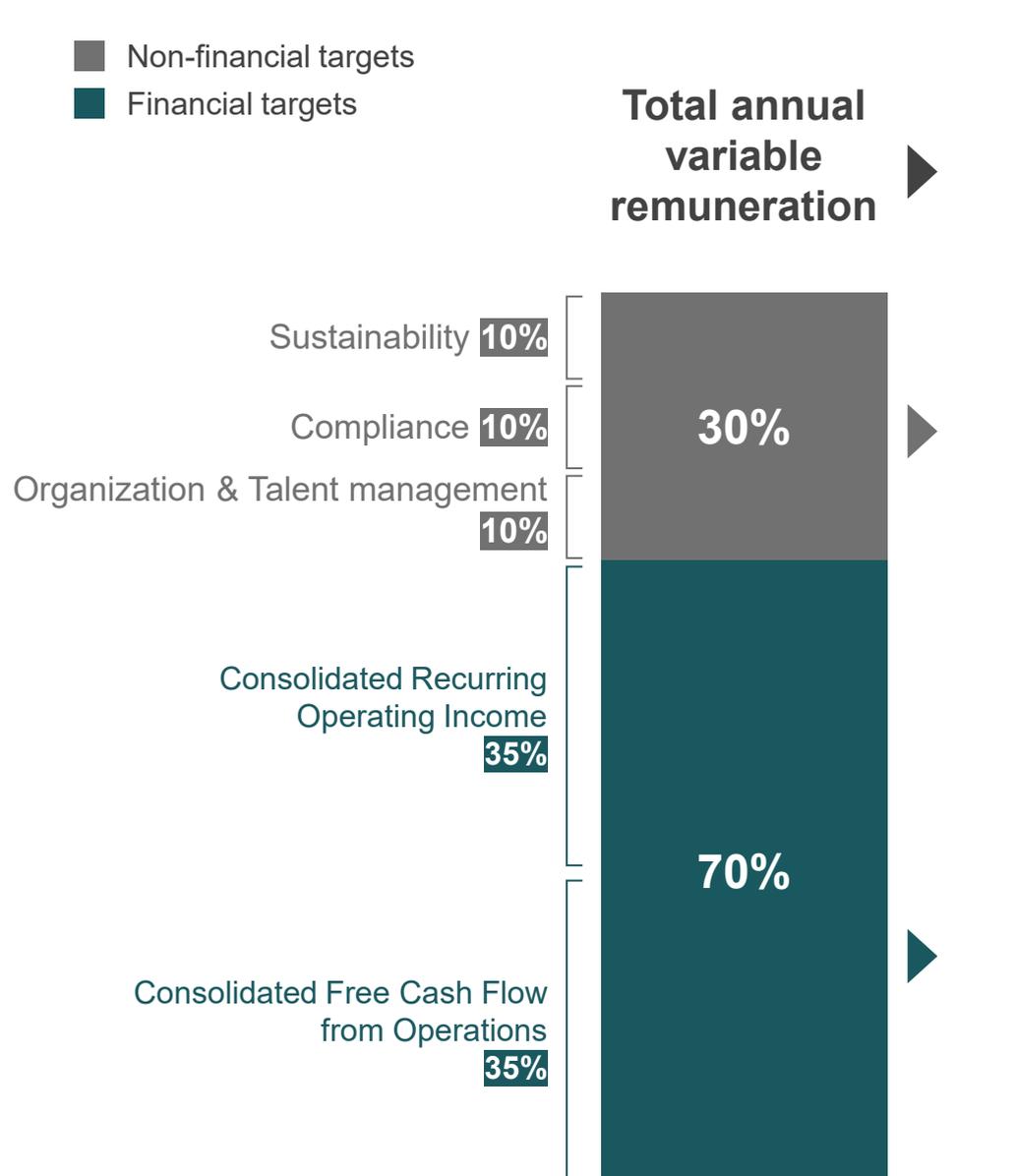
## MIRRORING KERING'S OBJECTIVES

	CHAIRMAN & CEO		GROUP MANAGING DIRECTOR	
	Voted at the 2022 AGM	Voted at the 2023 AGM	Voted at the 2022 AGM	Voted at the 2023 AGM
<b>FIXED REMUNERATION</b>	€1,200,000	€1,200,000	€1,200,000	€1,200,000
<b>ANNUAL VARIABLE REMUNERATION</b>	<ul style="list-style-type: none"> <li>▪ 150% of fixed remuneration when targets are met</li> <li>▪ Capped at 203% of fixed remuneration when targets are exceeded (achievement of financial targets ≥ 125% and of non-financial targets ≥ 100%)</li> </ul>	<ul style="list-style-type: none"> <li>▪ 150% of fixed remuneration when targets are met</li> <li>▪ Capped at 203% of fixed remuneration when targets are exceeded (achievement of financial targets ≥ 125% and of non-financial targets ≥ 100%)</li> </ul>	<ul style="list-style-type: none"> <li>▪ 150% of fixed remuneration when targets are met</li> <li>▪ Capped at 203% of fixed remuneration when targets are exceeded (achievement of financial targets ≥ 125% and of non-financial targets ≥ 100%)</li> </ul>	<ul style="list-style-type: none"> <li>▪ 150% of fixed remuneration when targets are met</li> <li>▪ Capped at 203% of fixed remuneration when targets are exceeded (achievement of financial targets ≥ 125% and of non-financial targets ≥ 100%)</li> </ul>
<b>MULTI-ANNUAL VARIABLE REMUNERATION (LTI)</b>	<ul style="list-style-type: none"> <li>▪ Performance shares</li> <li>▪ 150% of fixed remuneration for year Y + annual variable remuneration due for Y-1</li> <li>▪ Performance conditions: financial &amp; non-financial criteria</li> </ul>	<ul style="list-style-type: none"> <li>▪ Performance shares</li> <li>▪ 150% of fixed remuneration for year Y + annual variable remuneration due for Y-1</li> <li>▪ Performance conditions: financial &amp; non-financial criteria</li> </ul> <p><i>See following slides for further details</i></p>	<ul style="list-style-type: none"> <li>▪ Performance shares</li> <li>▪ 100% of fixed remuneration for year Y + annual variable remuneration due for Y-1</li> <li>▪ Performance conditions: financial &amp; non-financial criteria</li> </ul>	<ul style="list-style-type: none"> <li>▪ Performance shares</li> <li>▪ 100% of fixed remuneration for year Y + annual variable remuneration due for Y-1</li> <li>▪ Performance conditions: financial &amp; non-financial criteria</li> </ul> <p><i>See following slides for further details</i></p>
<b>BENEFITS IN KIND</b>	International health insurance and a company car with a driver	International health insurance and a company car with a driver	International health insurance, life and disability insurance and a company car with a driver	International health insurance, life and disability insurance and a company car with a driver



# 2023 ANNUAL VARIABLE REMUNERATION

## PERFORMANCE CONDITIONS AND OVERALL ACHIEVEMENT PROCESS



	As a % of fixed remuneration	
	Chairman and CEO	Group Managing Director
TARGET BONUS <sup>(1)</sup>	150%	
MAXIMUM BONUS <sup>(2)</sup>	203%	

Achievement rate of non-financial targets	% bonus awarded	As a % of fixed remuneration	
		Chairman and CEO	Group Managing Director
Criteria 1	0% > 100%	0% > 15%	
Criteria 2	0% > 100%	0% > 15%	
Criteria 3	0% > 100%	0% > 15%	

Achievement rate of financial targets	% bonus awarded	As a % of fixed remuneration	
		Chairman and CEO	Group Managing Director
≤ 75%	0%	0%	
100%	100%	105%	
≥ 125%	150%	158%	



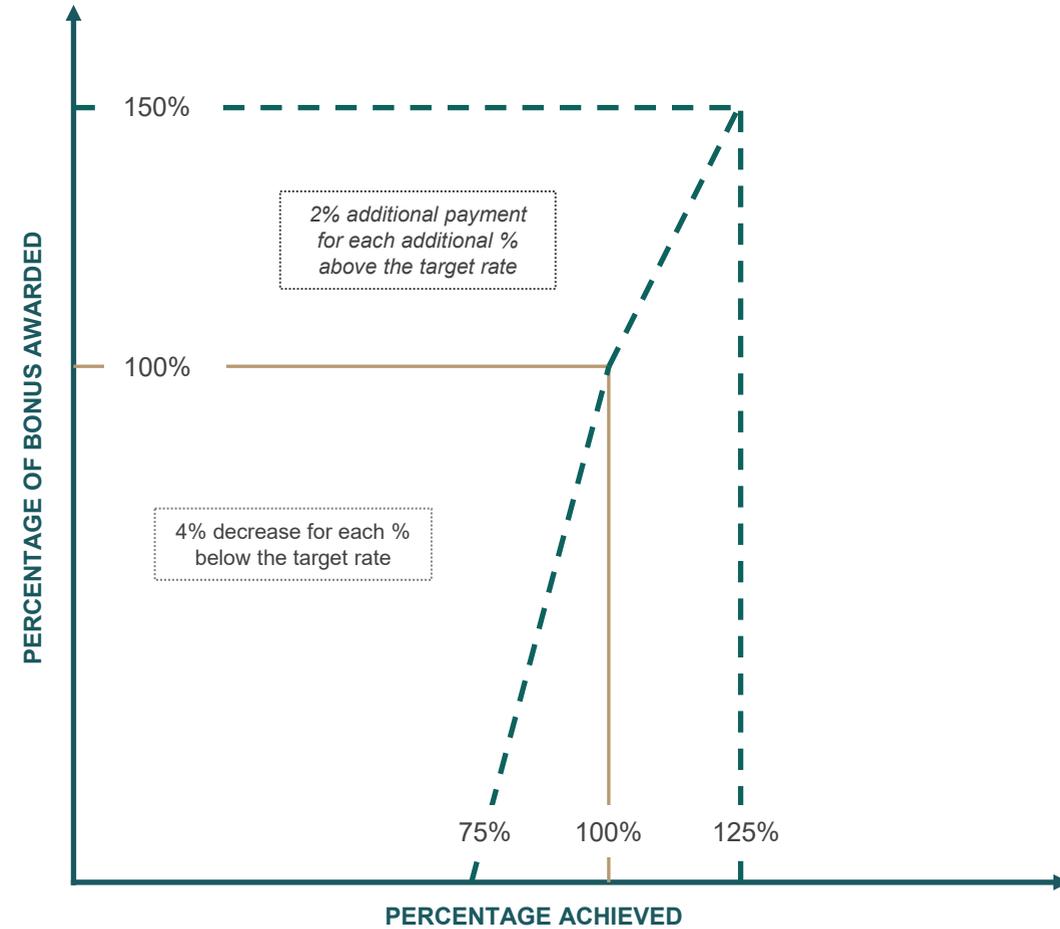
(1) 100% of financial and non-financial targets achieved.

(2) At least 125% of financial targets achieved and all non-financial targets achieved.

# 2023 ANNUAL VARIABLE REMUNERATION

## FINANCIAL TARGETS' ACHIEVEMENT PROCESS

Achievement rate of financial targets	Percentage of bonus awarded
$\leq 75\%$	0%
100%	100%
$\geq 125\%$	150% (maximum)



# 2023 ANNUAL VARIABLE REMUNERATION

## NON-FINANCIAL TARGETS SET FOR 2023 (QUALITATIVE)

### Chairman & CEO / Group Managing Director

#### SUSTAINABILITY 10%

- Establish in 2023 a quantified medium-term commitment to reduce in absolute terms the carbon footprint of the Group's supply chain (Scope 3 of the GHG Protocol)
- Raise a total of €180 million in funding for the Climate Fund for Nature by year-end 2023
- Achieve a high level of employee engagement on sustainability issues and train at least 90% of Kering's corporate department employees at the Kering Sustainability Academy

#### COMPLIANCE 10%

- Strengthen the implementation of the Group compliance program within the recently acquired eyewear companies Lindberg and Maui Jim, and ensure their integration into the Group corruption risk map
- Push ahead with efforts to embed the compliance culture within the Group by issuing messages and reminders about compliance issues (i) during strategy meetings, and (ii) for all employees worldwide
- Increase awareness of human rights by adding a section about this issue to the *Ethics & Compliance* e-training and ensure at least 90% of the Group's employees complete this module

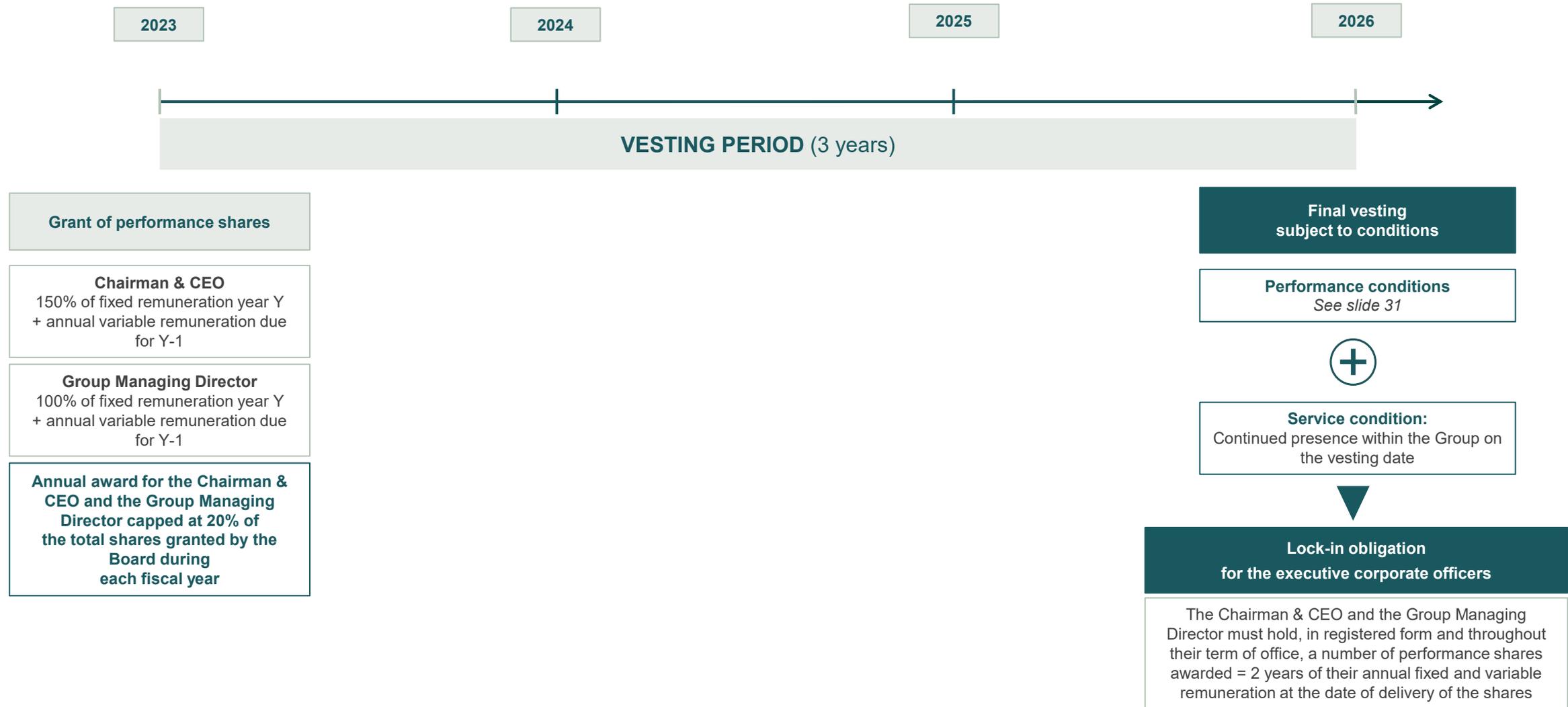
#### ORGANIZATION & TALENT MANAGEMENT 10%

- Increase the number of women on the Group's Executive Committee by 25% in 2023
- Arrange training in inclusive leadership during 2023 for 100% of the central management committees
- Increase by 10% in 2023 the number of Group employees who attend training to learn new skills
- Introduce certification in 2023 for the wage parity monitoring process within the Group
- Guarantee the introduction during 2023 of a process to protect the Houses' intangible assets and reputation by:
  - Establishing internal control mechanisms for the various marketing events
  - Promoting a culture that nurtures both independent judgment and collective discussion



# 2023 MULTI-ANNUAL VARIABLE REMUNERATION (LTI)

## HOW PERFORMANCE SHARES WORK



## 2023 MULTI-ANNUAL VARIABLE REMUNERATION (LTI)

### PERFORMANCE CONDITIONS: DEMANDING FINANCIAL CRITERIA AND STRENGTHENED NON-FINANCIAL CRITERIA

Criterion	Relative weighting	Performance assessment method
<b>FINANCIAL TARGETS</b>	Consolidated recurring Operating income	40% Increase observed between the average amount over the 3-year vesting period and the amount shown for the year preceding the year of the grant • No increase: 0 shares • Increase < 5%: 50% of the shares relating to the criterion • Increase ≥ 5%: 100% of the shares relating to the criterion
	Consolidated free cash flow from operations	40% Increase observed between the average amount over the 3-year vesting period and the amount shown for the year preceding the year of the grant • No increase: 0 shares • Increase < 5%: 50% of the shares relating to the criterion • Increase ≥ 5%: 100% of the shares relating to the criterion
<b>ESG TARGETS</b>	Proportion of women in executive management roles	10% Lift the proportion of women in <b>Top 500</b> roles to <b>50%</b> by the end of the vesting period • Representation rate of women < 42%: 0 shares • Representation rate of women ≥ 42% and < 48%: 50% of the shares relating to the criterion • Representation rate of women between ≥ 48% and < 50%: 80% of the shares relating to the criterion • Representation rate of women between ≥ 50%: 100% of the shares relating to the criterion
	Biodiversity	10% Switchover to <b>regenerative agriculture</b> practices by 2025 on <b>1 million hectares</b> of land linked to Kering's supply chain and <b>protection of 1 million hectares</b> in key areas that are not part of the supply chain • No targets met: 0 shares • One target met: 50% of the shares relating to the criterion • Both targets met: 100% of the shares relating to the criterion
		<b>100%</b>
<b>UPWARD /DOWNWARD ADJUSTEMENT</b>	Kering share price performance	+/-50% The number of performance shares that ultimately vest subject to the fulfillment of the financial and non-financial performance conditions described above and the service condition is adjusted upward or downward by a maximum proportion of 50%, depending on the performance of the Kering share price relative to the performance of a reference index (8 listed companies: Burberry, Ferragamo, Hermès, LVMH, Moncler, Prada, Richemont and Swatch). → The number of shares vesting at the end of the vesting period may vary from 0% to 150% of the number of shares awarded under the plan based on the assessment of financial performance, non-financial performance and share price performance.



## REMUNERATION FOR MEMBERS OF THE BOARD OF DIRECTORS FOR 2023

<p>TOTAL REMUNERATION ALLOCATED TO DIRECTORS</p>	<p><b>Unchanged vs. 2022:</b> €1,400,000</p>
<p>COMPONENTS AND STRUCTURE OF THE TOTAL REMUNERATION ALLOCATED TO DIRECTORS</p>	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><b>40% FIXED</b></p> <p>Minus special portions for:</p> <ul style="list-style-type: none"> <li>the remuneration of the Chairs of the Audit, Remuneration, Appointments &amp; Governance, and Sustainability Committees (€23,000 each for 2023)</li> <li>The Lead Independent Director (€50,000 for 2023)</li> <li>The Climate Change Lead (€23,000 for 2023)</li> </ul> <p><b>Coefficient:</b> 1 by Board membership, increased by 0.5 per Committee</p> </div> <div style="width: 10%; text-align: center;">  <p>€1,400,000</p> </div> <div style="width: 45%;"> <p><b>60% VARIABLE</b></p> <p>Based on the actual attendance of members at meetings of the Board and its Committees</p> <p><b>Coefficient:</b></p> <ul style="list-style-type: none"> <li>1 per presence at each meeting of the Board</li> <li>0.5 for each attendance of a Committee meeting</li> </ul> </div> </div>
<p>OTHER INFORMATION</p>	<ol style="list-style-type: none"> <li>(1) Financière Pinault has waived all remuneration in respect of its duties as a Director or Committee member within the Group.</li> <li>(2) Directors representing employees both have a permanent employment contract with the Company or a Kering group company.</li> <li>(3) The special portion allocated to the Lead Independent Director for 2023 is subject to the achievement of the following objectives:             <ul style="list-style-type: none"> <li>▪ promote and maintain a good relationship between the Board and its shareholders and investors;</li> <li>▪ coordinate the assessment of the Board and its members;</li> <li>▪ facilitate and build relationships within the Board, including by holding meetings without executive corporate officers;</li> <li>▪ ensure the effective implementation of mechanisms to prevent and resolve potential conflicts of interest;</li> <li>▪ report, on a quarterly basis, to the Chairman of the Board on the performance of her duties.</li> </ul> </li> </ol>



# SUMMARY

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1. GROUP PRESENTATION & STRATEGY

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2. GOVERNANCE

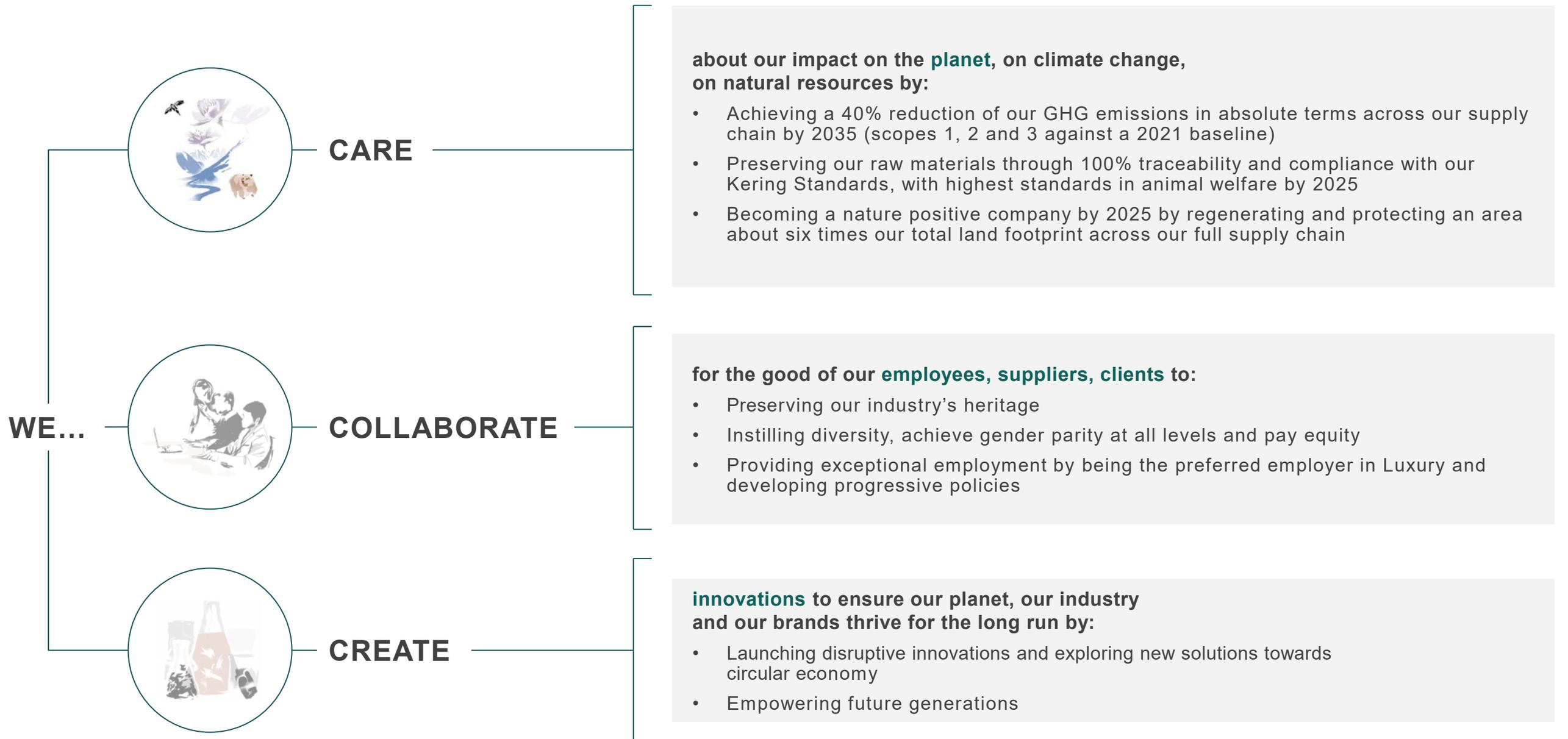
**3. SUSTAINABILITY**

4. PEOPLE

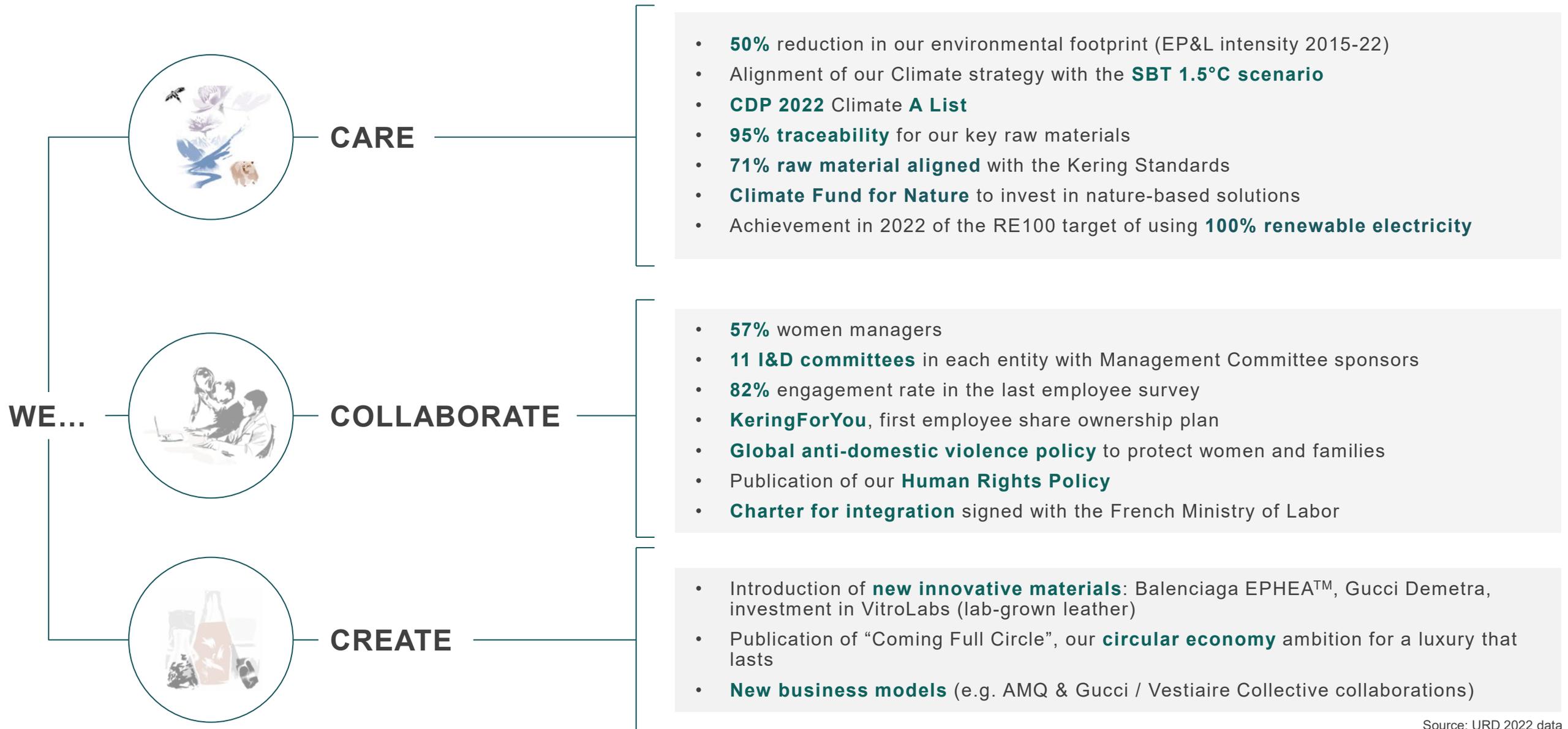
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# CRAFTING TOMORROW'S LUXURY: OUR SUSTAINABLE ROADMAP



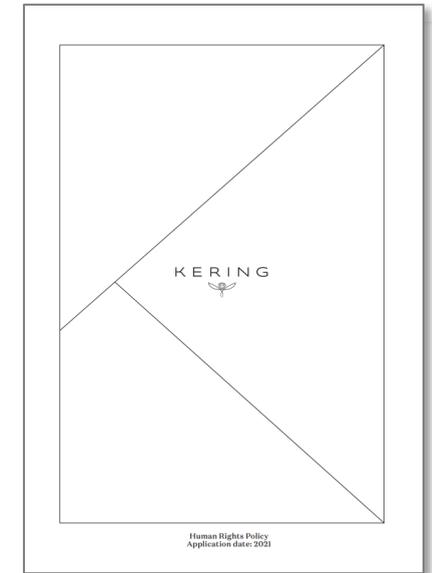
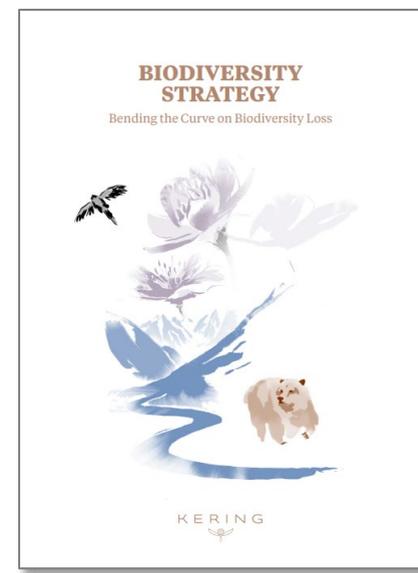
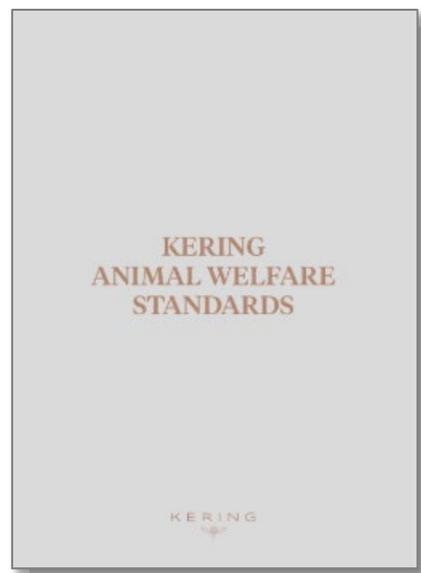
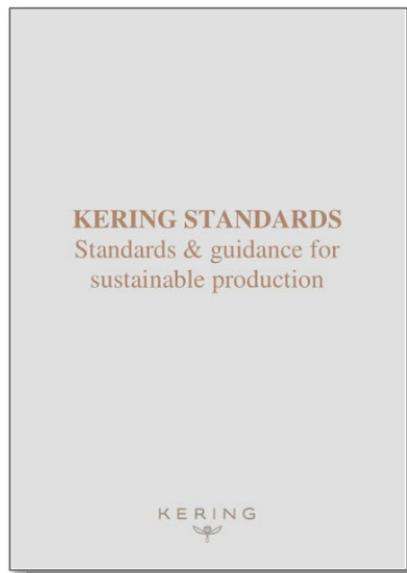
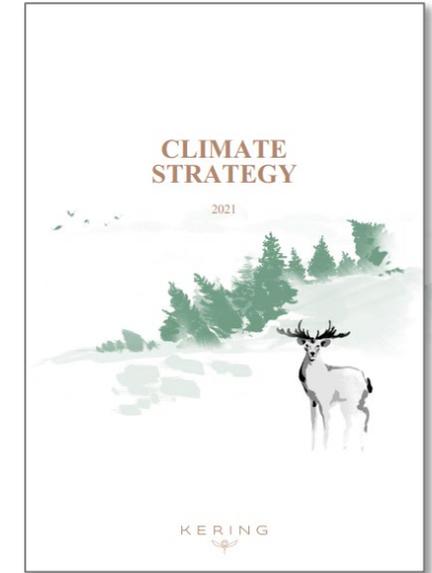
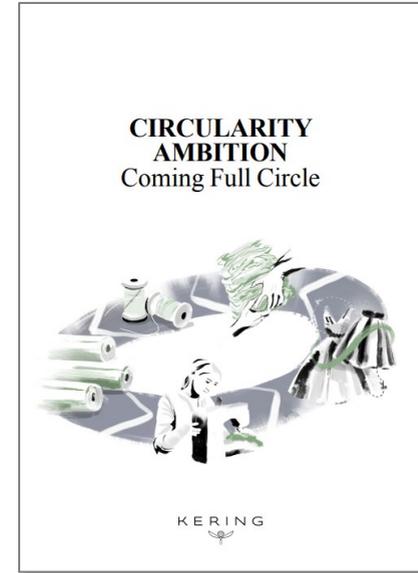
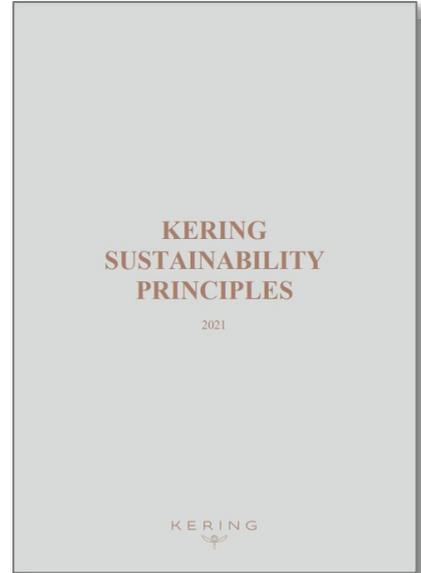
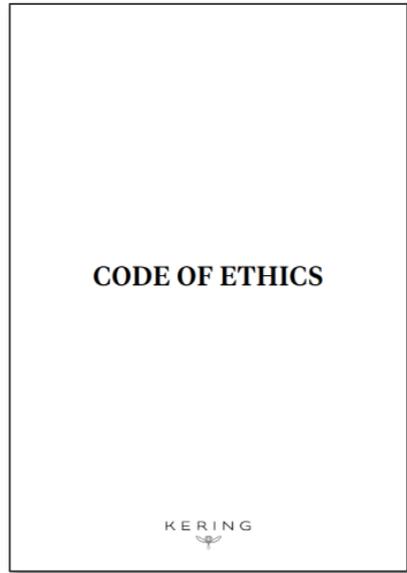
# CRAFTING TOMORROW'S LUXURY: PROGRESSING ON OUR SUSTAINABILITY COMMITMENTS



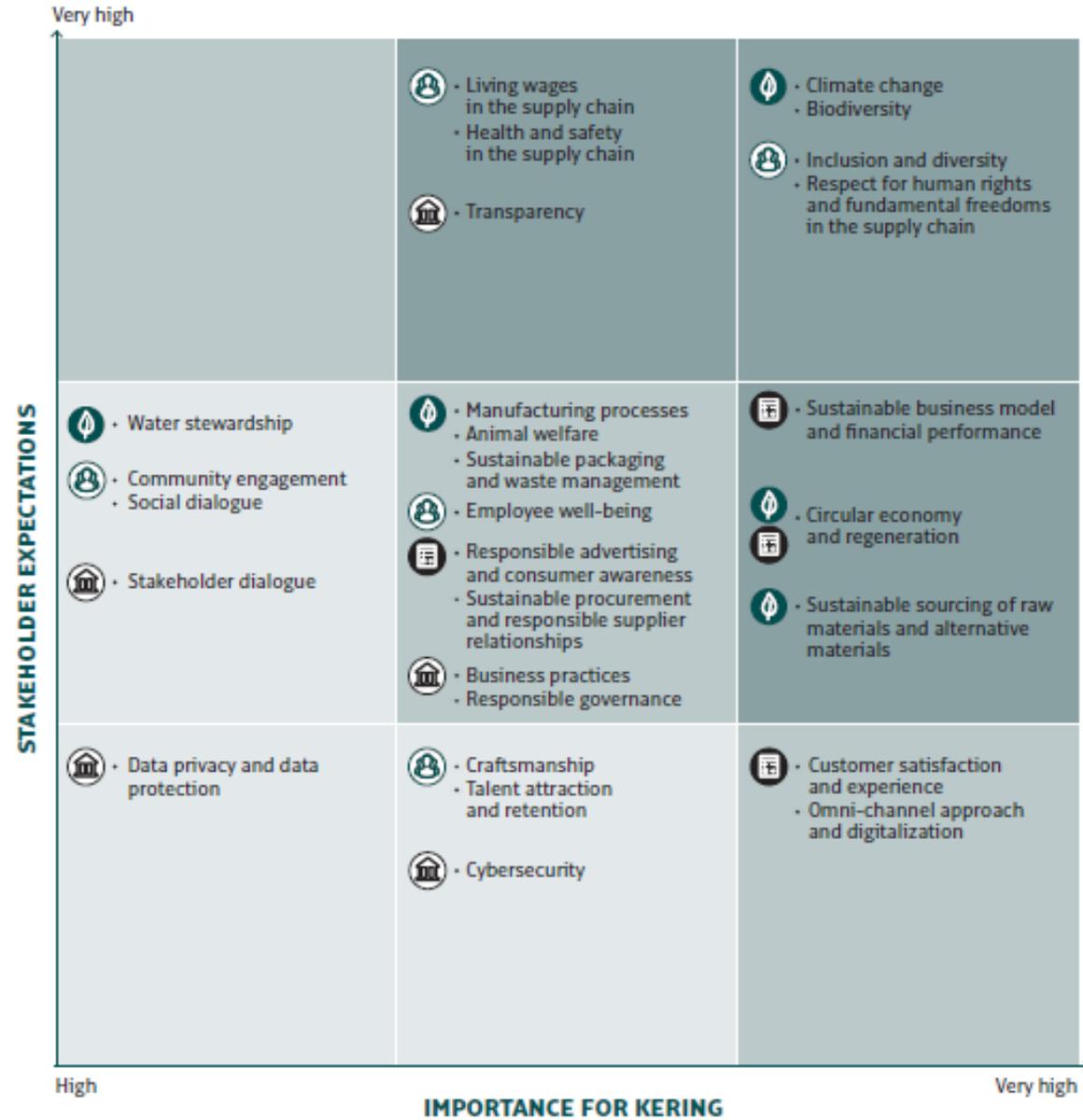
Source: URD 2022 data



# CRAFTING TOMORROW'S LUXURY: A SET OF OPERATIONAL STANDARDS ALLOWING US TO IMPLEMENT OUR GLOBAL STRATEGY



# MATERIALITY: TARGETING OUR MAIN PRIORITIES



## OUR CONTRIBUTION TO THE UN SDGs



- Results of the 2020/2021 materiality assessment confirmed that Kering's strategic pillars are consistent with external stakeholders' expectations
- 2025 Sustainability Strategy dashboard identifies the contribution of our actions and targets to the UN SDGs, with a focus on 13 of them

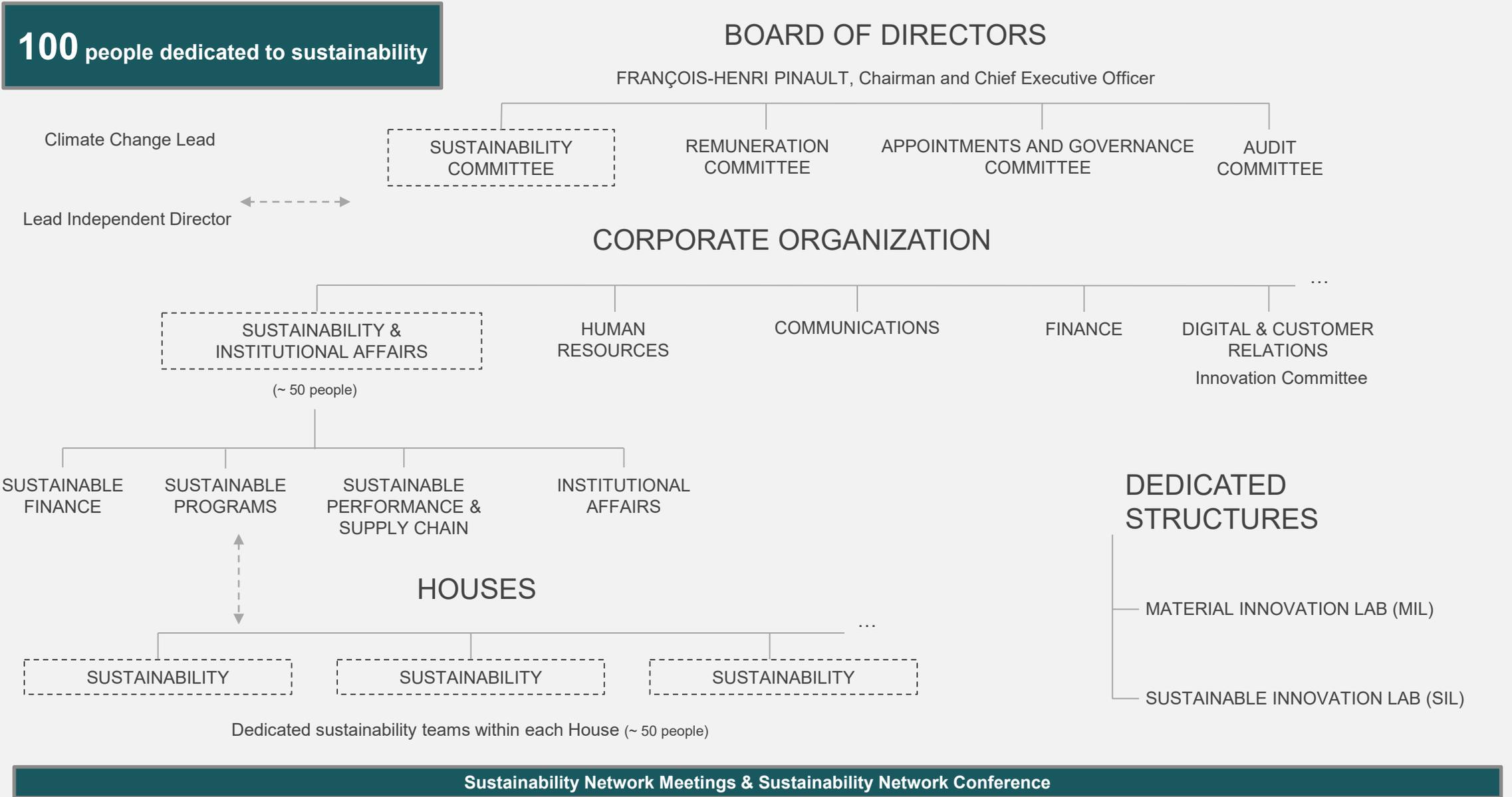
Source: 2022 Universal Registration Document – page 172



# OUR SUSTAINABILITY GOVERNANCE

**100** people dedicated to sustainability

KERING ALERT SYSTEM AND WHISLTBLOWING  
open to all employees, Houses and direct suppliers on all topics including environment



# EXTERNAL RECOGNITION OF OUR ESG PERFORMANCE

Kering is the only Luxury company systematically included in all main ESG ratings and rankings

Member of  
**Dow Jones Sustainability Indices** 2022  
Powered by the S&P Global CSA

**84/100 / 3<sup>rd</sup>**  
Included in DJSI World & Europe since **2013**

2023

**MSCI ESG RATINGS** **AAA**

CCC B BB BBB A AA **AAA**

**CDP** 2022  
DISCLOSURE INSIGHT ACTION  
**A LIST 2022**  
CLIMATE

CDP Climate **A**  
CDP Water **A-**  
CDP Forests **B/B** (Cattle/Timber)

**MOODY'S** | ESG Solutions 2023

**73/100**  
Included in Euronext CAC 40 ESG

 2023

FTSE4Good

**Constituent company**  
in the FTSE4Good Index Series

Corporate Responsibility **Prime** 2022  
rated by **ekom research**

**B, Prime, Top 3**  
1<sup>st</sup> Luxury company

THE VOICE FOR CLEAN CAPITALISM **Corporate Knights** 2023  
SINCE 2002

**1<sup>st</sup> luxury & apparel company**  
Included in the Global 100 World's Most Sustainable Corporations for the 6<sup>th</sup> consecutive year

 2023

Bloomberg Gender-Equality Index 2023 Member

**Included**  
Since 2018

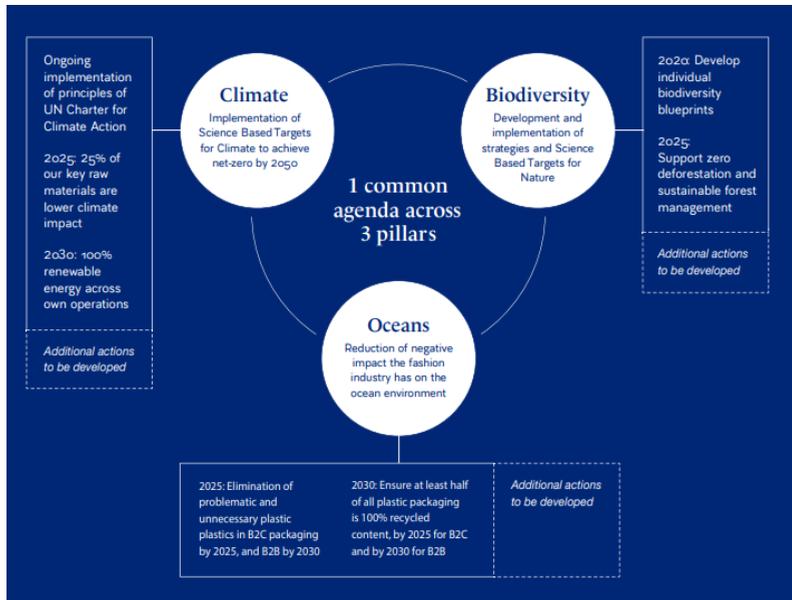
 **SUSTAINALYTICS** 2023  
a Morningstar company

**10.6 low risk**



## ENGAGING WITH INDUSTRY PEERS...

### THE FASHION PACT



### WATCH & JEWELLERY INITIATIVE 2030



- **75+** leading global companies representing **>250** brands and >1/3 of the fashion industry's production volumes
- Commitment to delivering positive outcomes for oceans, climate and biodiversity through 7 key objectives
- An operational structure and **KPIs implemented** to measure impact and collective efforts

- A CEO-led initiative launched in 2021 in partnership with Cartier
- Initiative open to all watch and jewellery players / already includes Cartier, Chanel, Kering, Montblanc, Pandora, Swarovski, etc.
- Ambitious objectives in 3 areas: building climate resilience, preserving resources and fostering inclusiveness



# ...ACTIVELY ENGAGED IN LEADING WORKING GROUPS

## INDUSTRY ASSOCIATIONS

**Fashion related**

FÉDÉRATION DE LA HAUTE COUTURE ET DE LA MODE 

THE FASHION PACT 

WATCH & JEWELLERY INITIATIVE 2030 

PARIS GOOD fashion 

COMITÉ COLBERT 

**Multi-industry**

epe entreprises pour l'environnement 

World Business Council for Sustainable Development 

IDDRI DÉVELOPPEMENT DURABLE & RELATIONS INTERNATIONALES

## TECHNICAL WORKING GROUPS

**Natural capital**

CAPITALS COALITION 

SCIENCE BASED TARGETS NETWORK GLOBAL COMMONS ALLIANCE 

Taskforce on Nature-related Financial Disclosures

**Social**

Business for Inclusive Growth

**Circularity**

ELLEN MACARTHUR FOUNDATION 

Fédération de la Mode Circulaire **New**

**Environmental excellence**

ZDHC 

United Nations Climate Change  
Fashion Industry Charter for Climate Action

RE100  
SUSTAINABLE BUILDINGS BY LUXURY MAISONS

**Sustainable Innovation**

FASHION FOR D 

CLUB DE PARIS DES DIRECTEURS DE L'INNOVATION 

The Microfibre Consortium **New**

TRANSFORMERS FOUNDATION

**Beauty**

EcoBeautyScore **New**  
CONSORTIUM

**Sustainable sourcing & Nature**

BSR 

Textile Exchange

OC 

ORGANIC COTTON ACCELERATOR

SOUTHEAST ASIAN REPTILE CONSERVATION ALLIANCE 

THE GOOD CASHMERE STANDARD **AbTF**

CUIR DE VEAU RESPONSABLE 

THE COLOURED GEMSTONES WORKING GROUP

INTERNATIONAL INSETTING PLATFORM 

op2b one planet  
business for biodiversity



# THE EP&L, CORNERSTONE OF OUR ENVIRONMENTAL APPROACH

Added in 2021

	END OF LIFE 0.1%	PRODUCT USE 8%	TIER 0 Operations and stores 6%	TIER 1 Final assembly 6%	TIER 2 Manufacturing 10%	TIER 3 Raw materials processing 9%	TIER 4 Raw materials production 61%
Air pollution 8%		●	●	●	●	●	●
Greenhouse gas emissions 38%		●	●	●	●	●	●
Land use 31%				●	●	●	●
Waste production 4%		●	●	●	●	●	●
Water consumption 4%		●	●	●	●	●	●
Water pollution 15%		●	●	●	●	●	●

[

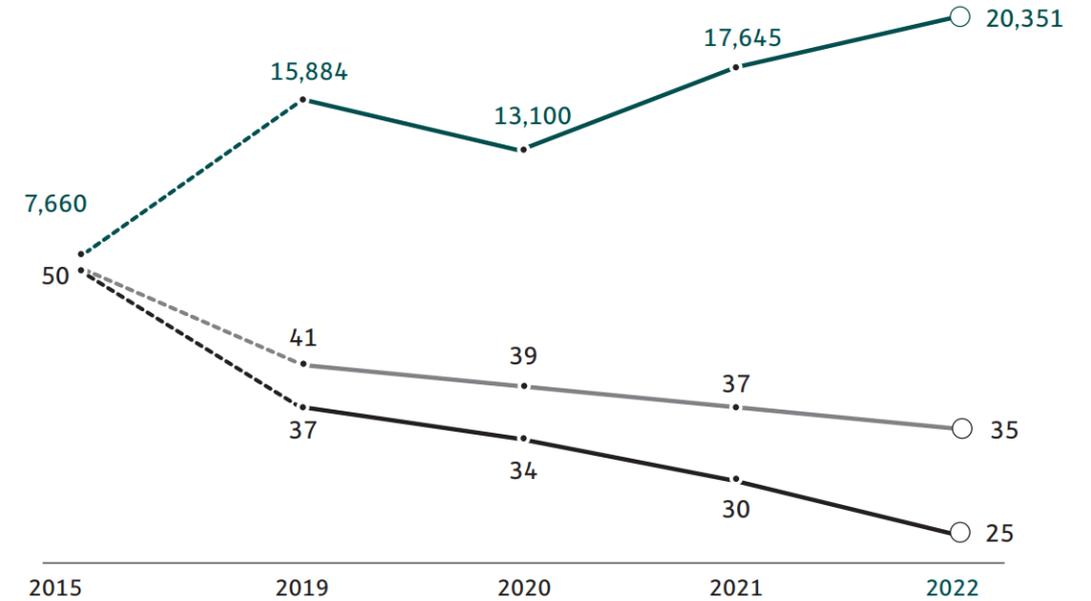
86% of our impacts fall within our supply chain

70% in raw material production & processing (T3 + T4)

]

## CHANGE IN GROUP EP&L INTENSITY 2015 TO 2022

(€EP&L/€ thousand in revenue, as reported in 2021 for 2015 to 2021)



## PROGRESS TOWARDS 2025 GOALS

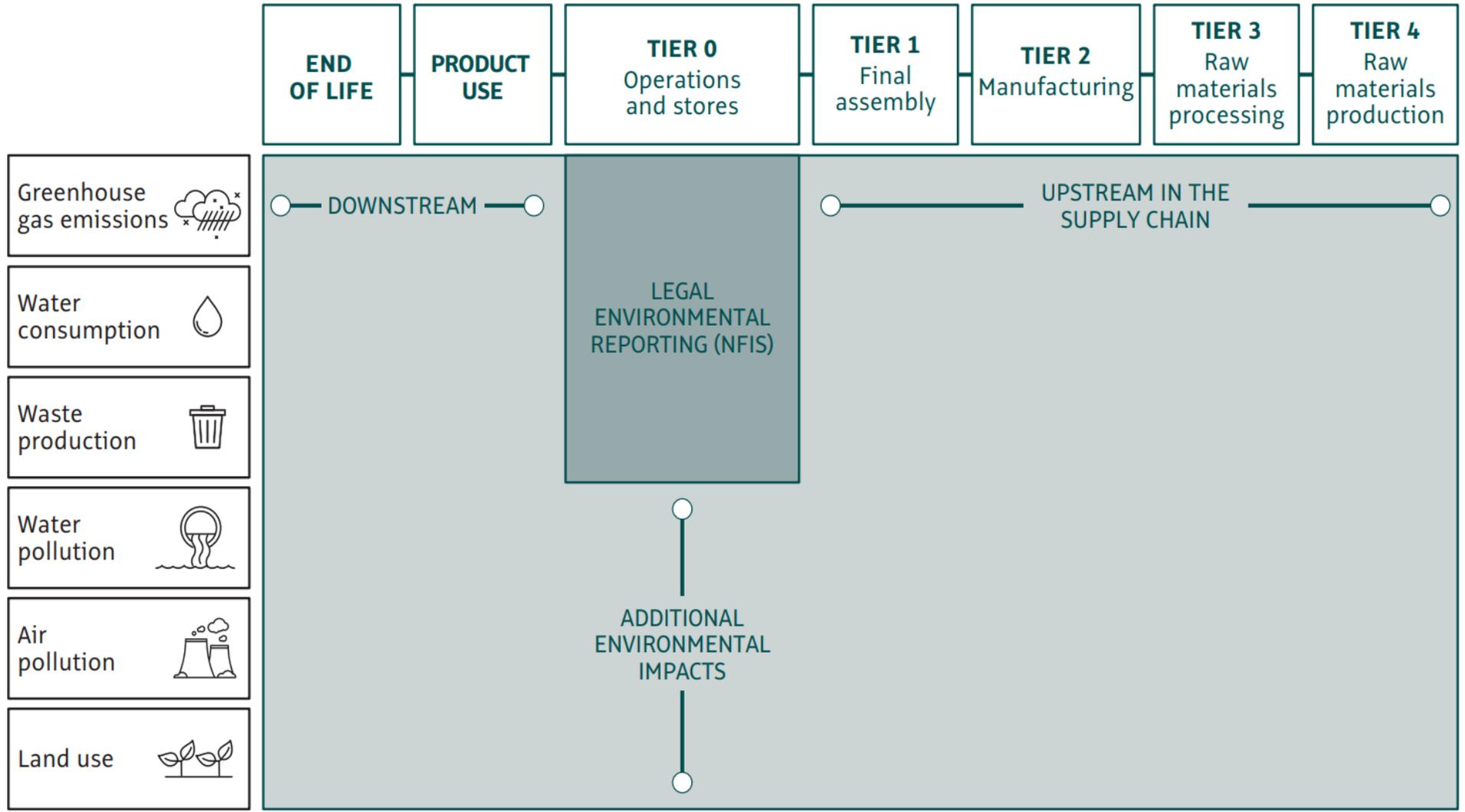
**50% reduction in our EP&L intensity between 2015 and 2022**

→ **Achieving Kering's EP&L target 4 years ahead of time**

- Revenue: €m
- Targeted reduction in EP&L intensity to achieve the 40% reduction objective by 2025
- EP&L intensity: €EP&L per €1,000 in revenue, with identical EP&L methodology and scope of calculation and including the 2022 change in method regarding 2021, see methodological note on EP&L, available on the Kering website, section Sustainability/Reporting and Indicators



# SCOPE COVERED BY OUR EP&L APPROACH

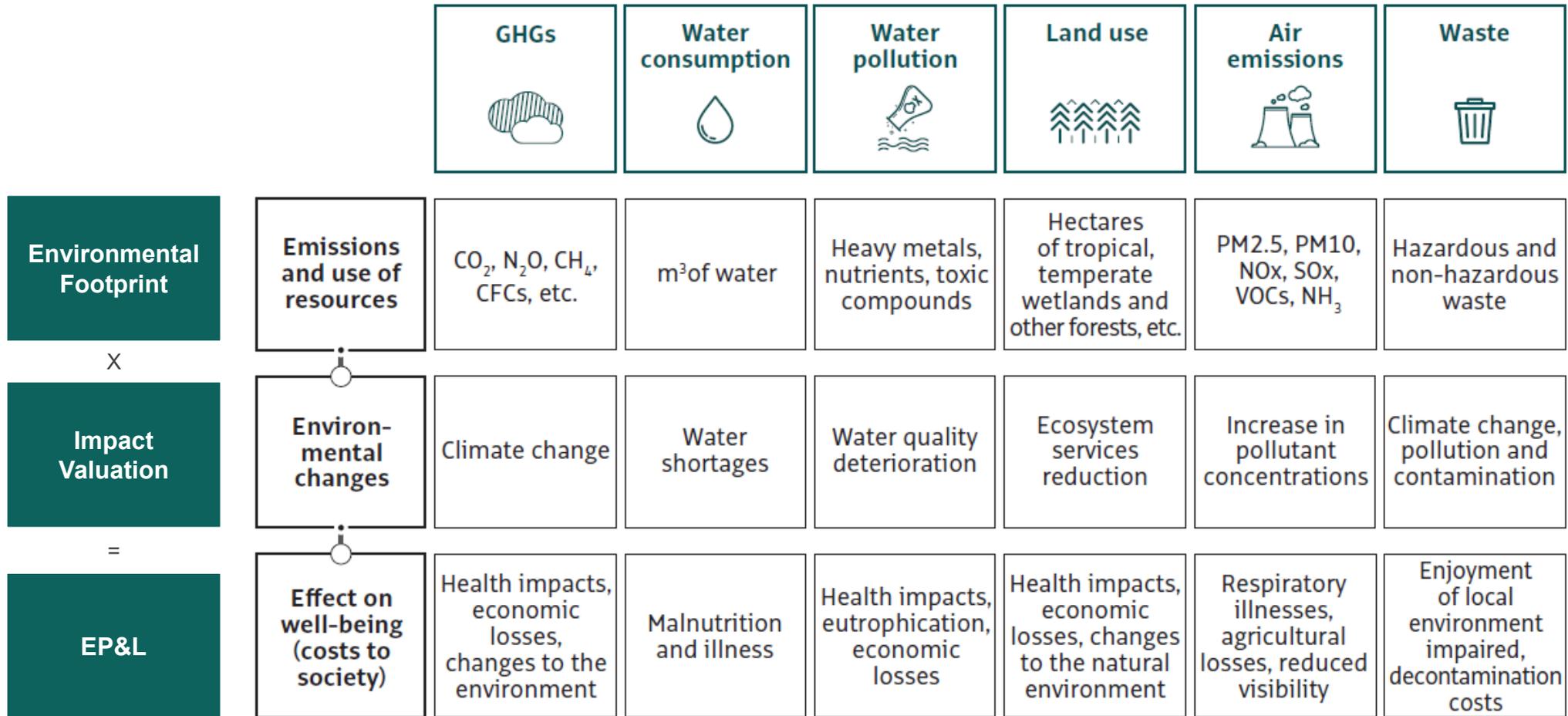


Since 2021:  
 EP&L approach reviewed  
 on a voluntary basis by  
 one of Kering's Statutory  
 Auditors

+ MONETIZATION OF THESE IMPACTS ON LOCAL POPULATIONS (€)



# HOW IS OUR EP&L CALCULATED?



Source: 2020 Universal Registration Document – page 169



## OUR CLIMATE TARGETS, BASED ON SCIENCE

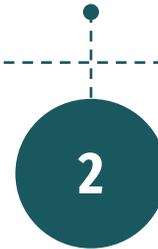
### SBTi 1.5°C BY 2030



In 2021, the Group revised its 2016 **Science-based Targets to align with a 1,5°C trajectory**, as recommended by the SBTi and in line with the Paris Agreement

- Reaching a 90% absolute reduction of Scopes 1&2 GHG emissions by 2030 from a 2015 baseline
- Reaching a 70% reduction (per unit value added) of Scope 3 GHG emissions by 2030 from a 2015 baseline

### -40% GHG SCOPE 1, 2 & 3 BY 2035



The Group committed to reduce its **absolute GHG emissions by 40%** on scope 1, 2 and 3 by 2035, on a 2021 baseline

- ✓ Increasing the use of renewable electricity to reach 100% by 2022 (**achieved**)
- Strategic and appropriate offsetting through Natural Climate Solutions\* for “hard to abate” emissions
- Scaling up of regenerative agriculture in our supply chains

### NET-ZERO BY 2050

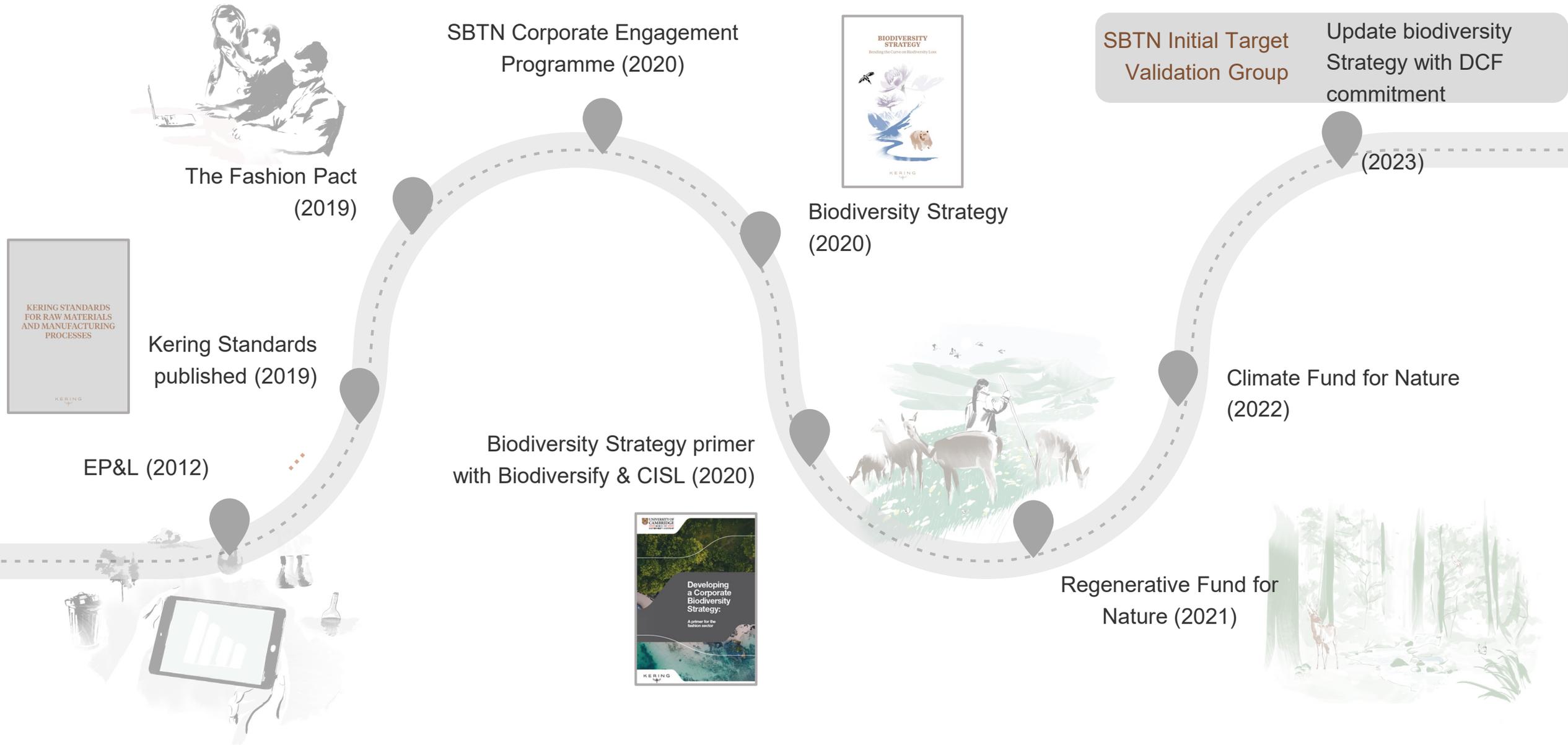


The Group committed to **minimize** its emissions and uphold the highest carbon offsetting standards for its remaining emissions

- Eco-design, reduced impacts of raw material production & transformation
- Fair production: IA, planification and production mix to sell what we produce
- Energy efficiency across manufacturing sites
- Renewable energy in supply chains
- Optimized transportation (electrification) & minimized trips
- New business models (circularity, second-hand)



# A BRIEF OVERVIEW OF KERING'S JOURNEY ON NATURE



# PROTECTING BIODIVERSITY



6x larger

What we will restore and protect

Our land use impact: c. 300,000 ha throughout the entire value chain

## OUR COMMITMENT

**Becoming a nature positive company by 2025 by regenerating and protecting an area about six times our total land footprint across our full supply chain**

- **Regenerating** 1 million hectares of farms and rangelands in our supply chain landscapes by 2025, through the launch of the “Regenerative Fund for Nature”
- **Protecting** 1 million hectares of critical, ‘irreplaceable’ habitat outside of our supply chain, through UN REDD+ and other programs

## OUR STRATEGY

### Alignment with the Science-based target framework

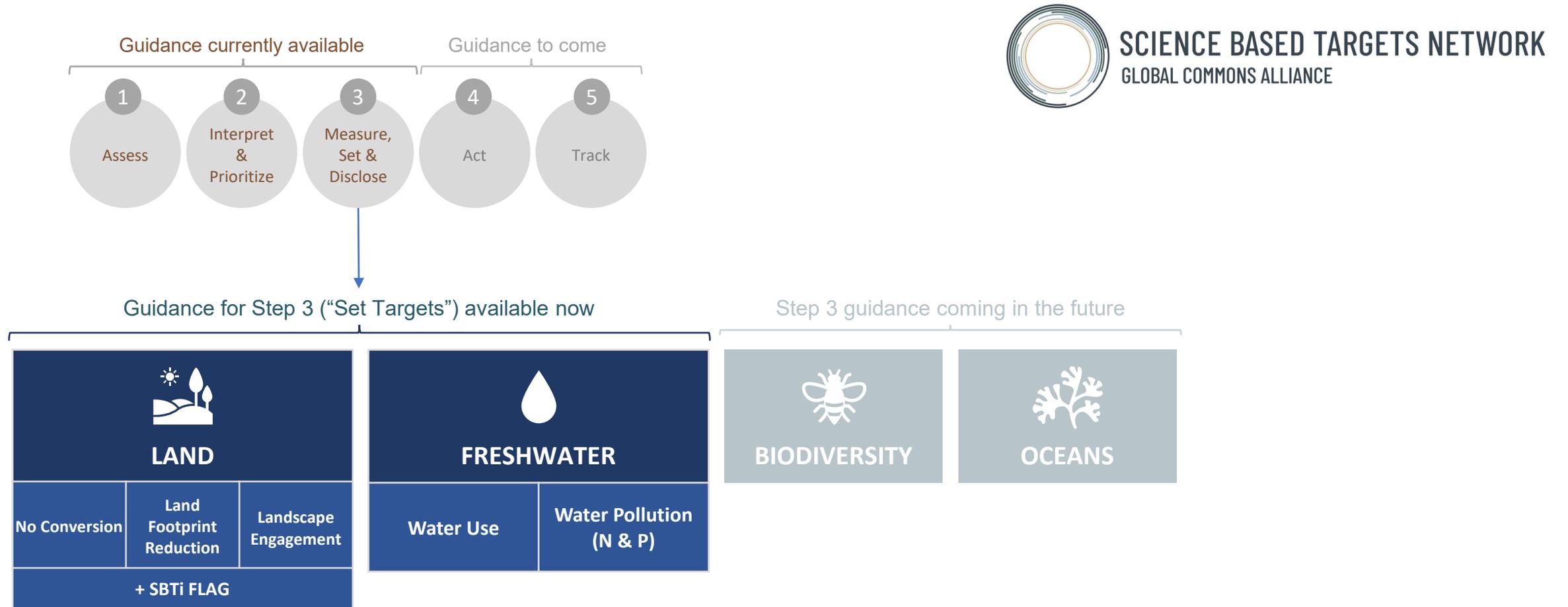
- Actions prioritized according to 4 stages: to prevent impacts (“avoid”), minimize impacts that are unavoidable (“reduce”), and push for corrective, nature-positive action when possible (“restore & regenerate”)
- Looking outside of our immediate supply chain (“transform”) to concretely take game-changing actions that proactively contribute to a world in which people and nature can thrive

Source: <https://keringcorporate.dam.kering.com/m/6b254da158b2d217/original/Kering-Biodiversity-Strategy.pdf>



# KERING IS PART OF SBTN INITIAL TARGET VALIDATION GROUP

- Kering has been selected by SBTN to be part of a small group of companies representing high-impact sectors to the validation process for SBTN Land and Freshwater targets in 2023/24



# ACTING FOR THE GREEN TRANSITION OF OUR INDUSTRY

## THE REGENERATIVE FUND FOR NATURE

- Launched in **January 2021** by Kering in partnership with Conservation International
- Objective: **transition 1 million hectares of existing farms and rangelands into regenerative agricultural practices**
- **4 materials:** leather, wool, cotton & cashmere
- Timeline: 2021 – 2025
- **5 key principles to drive project funding**



*Increase soil carbon capture*



*Protect and restore native habitat & biodiversity*



*Eliminate unnecessary, synthetic, harmful chemicals*



*Support farmer livelihoods*



*Enhance animal welfare*

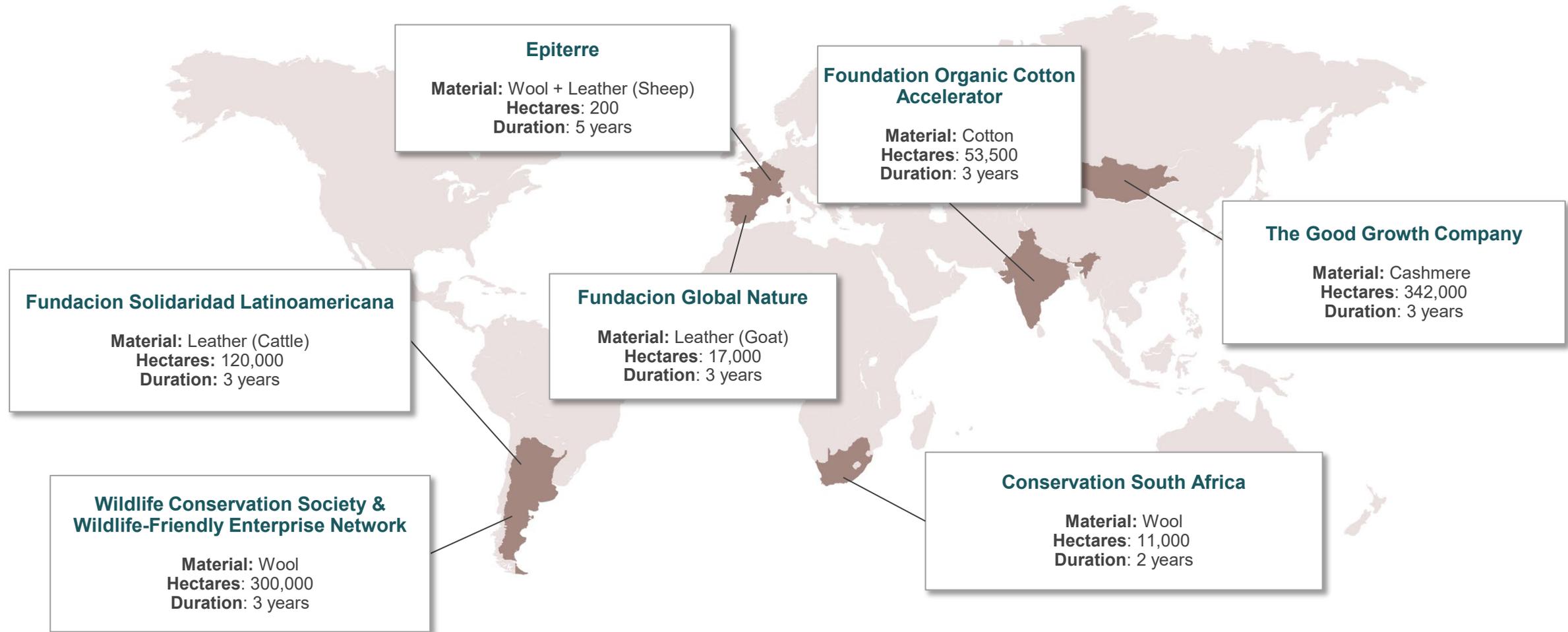
## THE CLIMATE FUND FOR NATURE

- Launched in **December 2022** by Kering, supported by L'Occitane Group and managed by Mirova, a Natixis subsidiary specializing in environmental and social impact investing
- Objectives:
  - **invest in new projects** in key regions to ensure a sustainable production of critical raw materials for the fashion and beauty industries
  - **develop high-quality nature-based solutions** generating carbon credits with the aim to reach a contribution of 10 million metric tons of CO2 equivalent over 15 years
  - **deliver additional benefits for communities**, with a particular emphasis on promoting women's rights and empowerment
- Open to other participants in the fashion and beauty industries, with **an investment target of €300 million**
  - the Fund has **already attracted €140 million of investments**, including 100 million from Kering



# REGENERATIVE FUND FOR NATURE PROJECTS

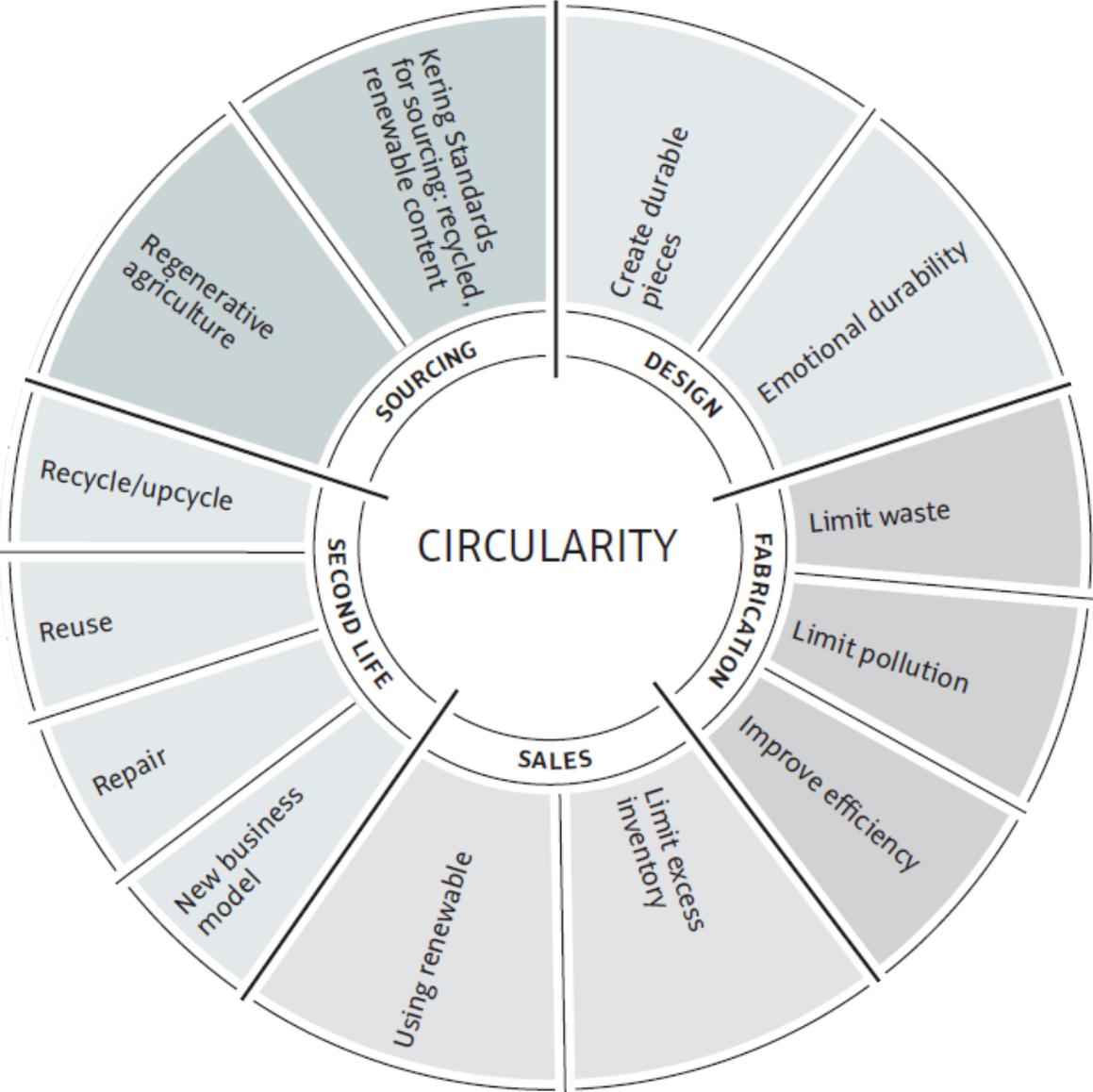
7 projects in 6 countries, supporting over 840,000 hectares transitioning to regenerative approaches and benefiting 60,000 people



Source: <https://www.kering.com/en/sustainability/safeguarding-the-planet/regenerative-fund-for-nature/regenerative-fund-for-nature-selected-projects-for-2021/>



# OUR CIRCULARITY AMBITION: "COMING FULL CIRCLE" (1/2)



## LUXURY THAT LASTS

**Increasing the longevity of our products:** durability by design, culture of repair and reuse

**Supporting new business models designed to keep our products in circulation for the longest possible time** (e.g., second-hand)

## ADOPTING A HOLISTIC SOURCING APPROACH

**Working with nature and promoting regenerative farming practices**

**Setting standards for circular materials**

## MAKING PRODUCTION PROCESSES MORE EFFICIENT

**Using safe and recycled or renewable inputs**

**Reducing unnecessary production and eliminating single-use plastic:** reducing waste, energy and water use, Increasing use of artificial intelligence to better predict sales and minimize excess inventory, eliminating microfiber leakage and single-use plastics

**Reusing / upcycling / recycling**



## OUR CIRCULARITY AMBITION: "COMING FULL CIRCLE" (2/2)

Ambition published in May 2021 and based on...

### 3 central pillars

### Key commitments

- 1** **Luxury that lasts**
- 2** **Regenerative sourcing and clean production**
- 3** **More efficient production processes**

No  
destruction  
of unsold  
products

100 %  
renewable  
energy in  
2022

Zero  
single-use  
plastic by 2025

100%  
of raw materials  
to comply with  
our Kering  
Standards  
by 2025

Zero  
discharge of  
microfibers  
by 2030

Source: <https://keringcorporate.dam.kering.com/m/4188d2a9d3d67c90/original/Kering-Circularity-Ambition.pdf>



# EMBEDDING INNOVATION IN OUR ACTIONS (1/3)



## IN OUR VALUE CHAIN

Scaling up **innovative processes** and developing raw material pilot projects in our Houses

Supporting our Houses' sustainable sourcing through the **Materials Innovation Lab** (access to more than 4,000 certified ecological fabrics and fibers) and the **Sustainable Innovation Lab** for Jewelry

Harnessing **technology to drive material traceability** e.g., V.I.R.T.U.S. blockchain project at Kering Eyewear

## CONNECTED WITH OUR INNOVATION ECOSYSTEM

**Fashion For Good** accelerator working with 120 promising start-ups

Working on **disruptive innovations in order to transform traditional luxury models** with a focus on digitalization, artificial intelligence (AI) and social innovation



## EMBEDDING INNOVATION IN OUR ACTIONS (2/3)

### Examples of programs in the supply chain



#### Clean by Design

*Suppliers' energy performance*

Spearheaded in 2013 by the NRDC (Natural Resources Defense Council), the Clean by Design program aims to reduce the environmental footprint of textile manufacturers through the organization of energy-water audits reviewing ten key points of the performance of a production site.

Clean by Design has been **implemented at the premises of 37 Tier 1 and Tier 2 suppliers** located in Italy and the average **energy savings obtained are 19% per site**, with highs of 40%.



#### Material Innovation Lab

*Sourcing of responsible suppliers*

Created in 2013, the Material Innovation Lab (MIL) is a comprehensive library of **c. 4,000 materials that are recycled or made from non-hazardous and renewable inputs**, at the disposal of Kering Houses' creative teams.

It aims to promote traceability and the procurement of more responsible and innovative materials, while minimizing their environmental impact.



#### Kering Generation Award

*Accelerating sustainable innovation in the luxury and fashion sectors in China*

The K Generation Award was launched in December 2018 to recognize and support Chinese startups which can bring about positive environmental and social impact in alternative raw materials, green supply chain, retail & use and the circular economy.



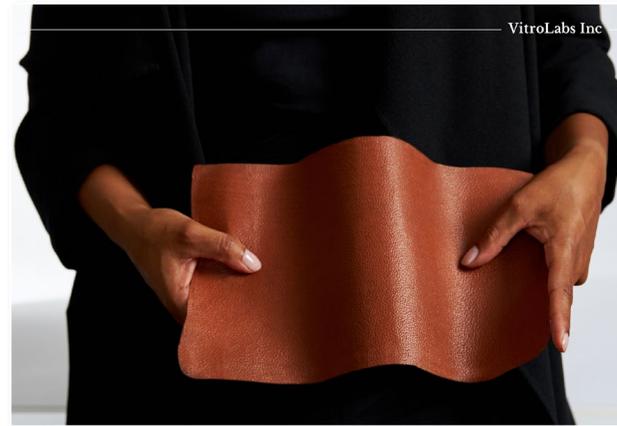
## EMBEDDING INNOVATION IN OUR ACTIONS (3/3)

### Alternative materials



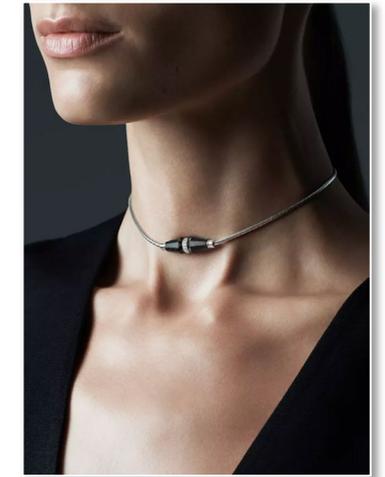
#### PEELSPHERE

- A new leather-like material that is both waterproof and durable, made from fruit waste and algae through advanced material engineering.
- First prize for green innovation at Kering Generation Award.



#### VITROLABS INC.

- A biotech company focused on lab-grown leather that develop scalable tissue engineering platform for the efficient and environmentally friendly production of leather from only a few cells.
- Investment made by Kering Ventures and in line with its strategy to take minority stakes in early-stage startups shaping the future of Luxury and Fashion.



#### GUCCI DEMETRA

- A new non-animal material made from sustainable, renewable and biosourced raw materials of which 77% are derived from plants, such as viscose, cellulose and biosourced polyurethane.
- Gucci launched three new sneakers featuring this material in 2021: Gucci Basket, Gucci New Ace and Gucci Rhyton



#### BALENCIAGA EPHEA™

- A cutting-edge, mycelium-based material exclusively developed for Balenciaga - the first of its kind.
- Engineered to diminish an ecological footprint without compromising quality or technical performance, it is made from the vegetative body of mushrooms.

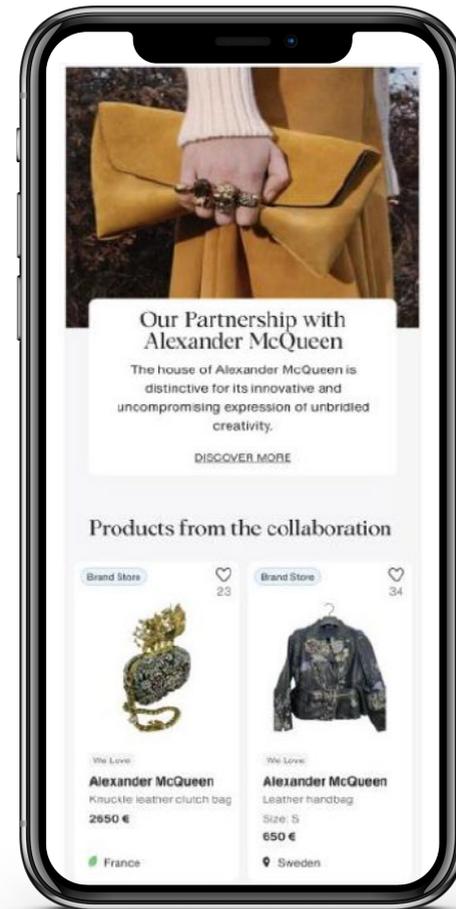
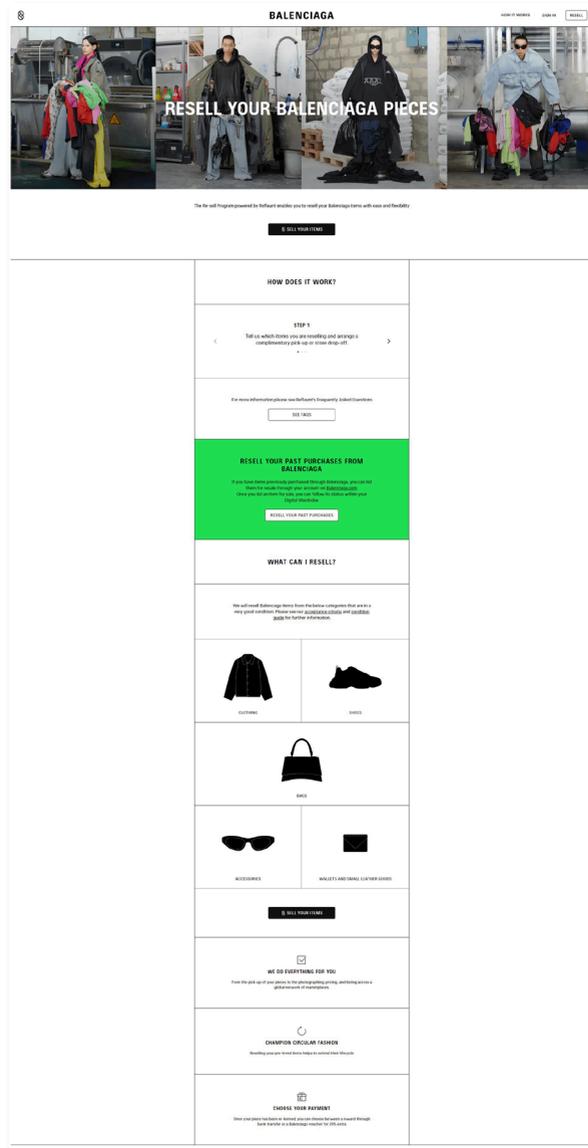


#### COFALIT

- Boucheron unveiled the Jack Ultime collection made from Cofalit®.
- This is an intensely black-hued material made from recycled industrial waste, representing the creative team's approach of taking things that have reached the end of their life cycle and making them precious



# SECOND HAND MARKET



- A €30-to-40bn market still driven by Watches and Jewelry (~80%)\*
- Combining business opportunities and sustainability considerations
- **A test-and-learn approach:**
  - Testing resale as a service in several houses: Gucci (Vestiaire Collective), AMQ (Vestiaire Collective) and BAL (Reflaunt)
  - Working closely with talented entrepreneurs/start-ups: financial investments in Vestiaire Collective (resale) and other circular business models (e.g., Cocoon, subscription rental platform)

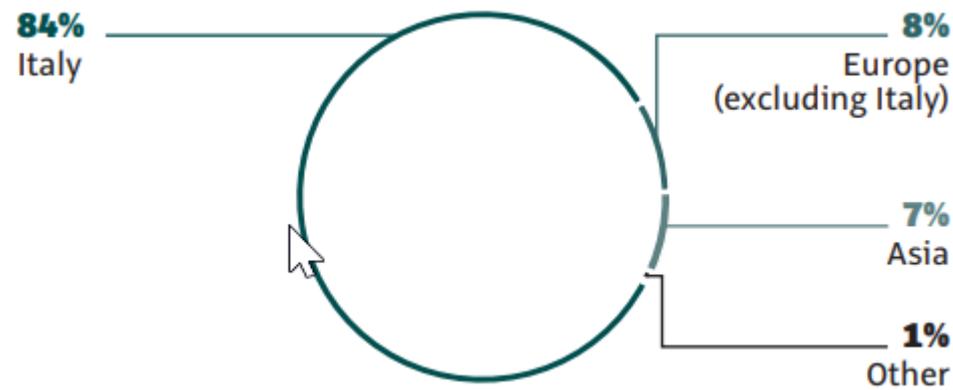
\*Personal luxury goods secondhand market value, source: Bain - Altagamma Luxury Goods Worldwide market study fall 2021 and fall 2022 editions



# BUILDING RESPONSIBLE SUPPLY CHAINS

## OUR SUPPLY CHAIN STRUCTURE

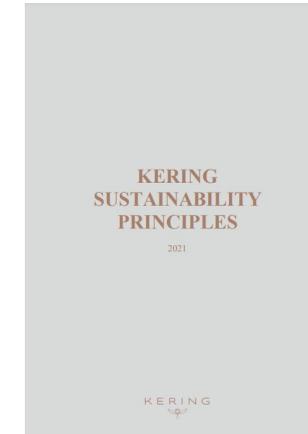
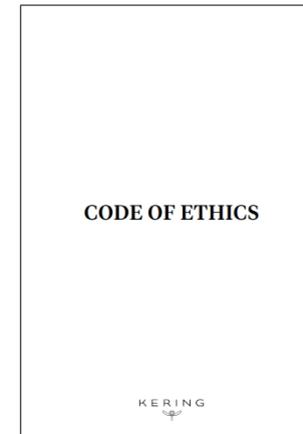
Almost 92% suppliers in Europe, predominantly in Italy  
 → strong government presence, comprehensive and mature labor law, highly developed social dialogue



**4,745**  
suppliers covered

**4,118**  
audits in 2022

All key suppliers to be audited every 2 years  
 64% of suppliers audited in 2022, 91% in 2015-2022



SA8000 Gucci & Bottega Veneta

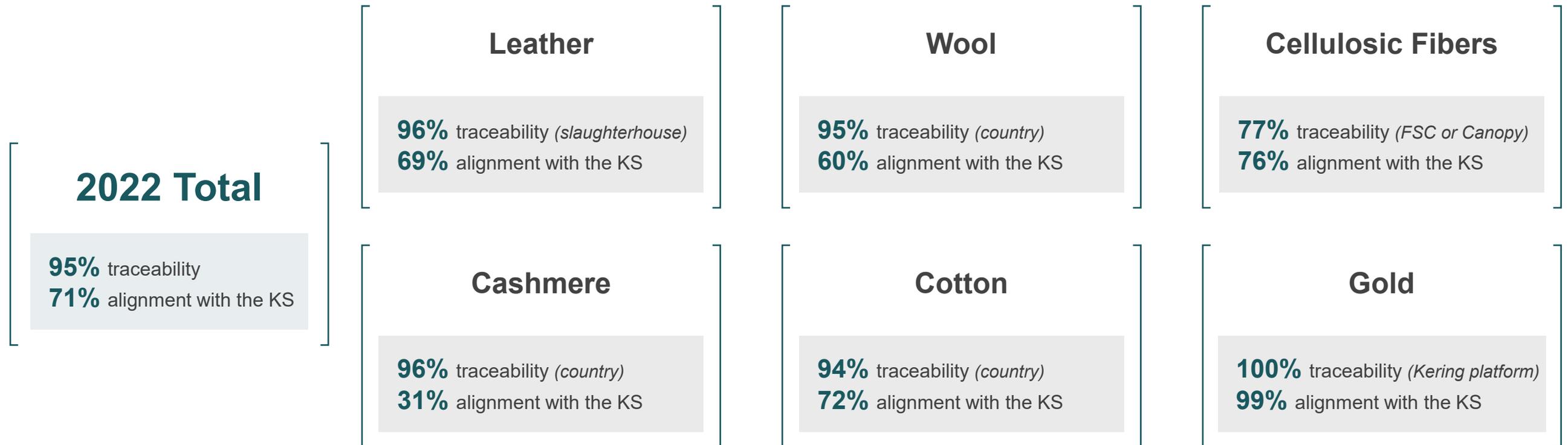
Our standards, a set of environmental and social clauses part of each contract



## BEYOND AUDITS: SUSTAINABLE RAW MATERIALS AND PROCESSES

**2 concrete targets by 2025**

- **100% of key raw materials to be traceable** back to their country of origin
- **100% of the key raw materials** used by the Group, and the production processes using these materials, **aligned with the Kering Standards**



Detailed targets for each raw material are described on page 227 of the 2021 Universal Registration Document : [https://www.kering.com/assets/front/documents/Kering\\_2021\\_Universal\\_Registration\\_Document.pdf](https://www.kering.com/assets/front/documents/Kering_2021_Universal_Registration_Document.pdf)



# UPHOLDING AND PROMOTING HUMAN RIGHTS



## HUMAN RIGHTS IN THE SUPPLY CHAIN

- Respecting trade union rights
- Preventing discriminatory practices, ending violence and harassment
- Working reasonable hours and providing living wages
  - **As set out by the Global Living Wage Coalition**, to be provided a living wage means that the remuneration received for a standard workweek is sufficient to afford a decent standard of living for the worker and his or her family.
  - **Kering is committed to ensuring that workers in its supply chain are fairly compensated for their work.** To do so, it believes in the need for transparency extending beyond direct production to include production raw material sourcing.
  - As a driver in the industry, Kering has piloted internal studies on living wages and collaborates with such initiatives as the Fair Wage Network to create a real-time living wage database to measure the gap between living wages and current wages. **Our goal is to create an industry-wide operational tool to measure living wages on a frequent and comparable basis.**

## HUMAN RIGHTS & OUR COMMUNITIES

- Preserving cultural heritage and savoir-faire
- Promoting economic & social development
- Empowering women



# SUMMARY

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1. GROUP PRESENTATION & STRATEGY

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2. GOVERNANCE

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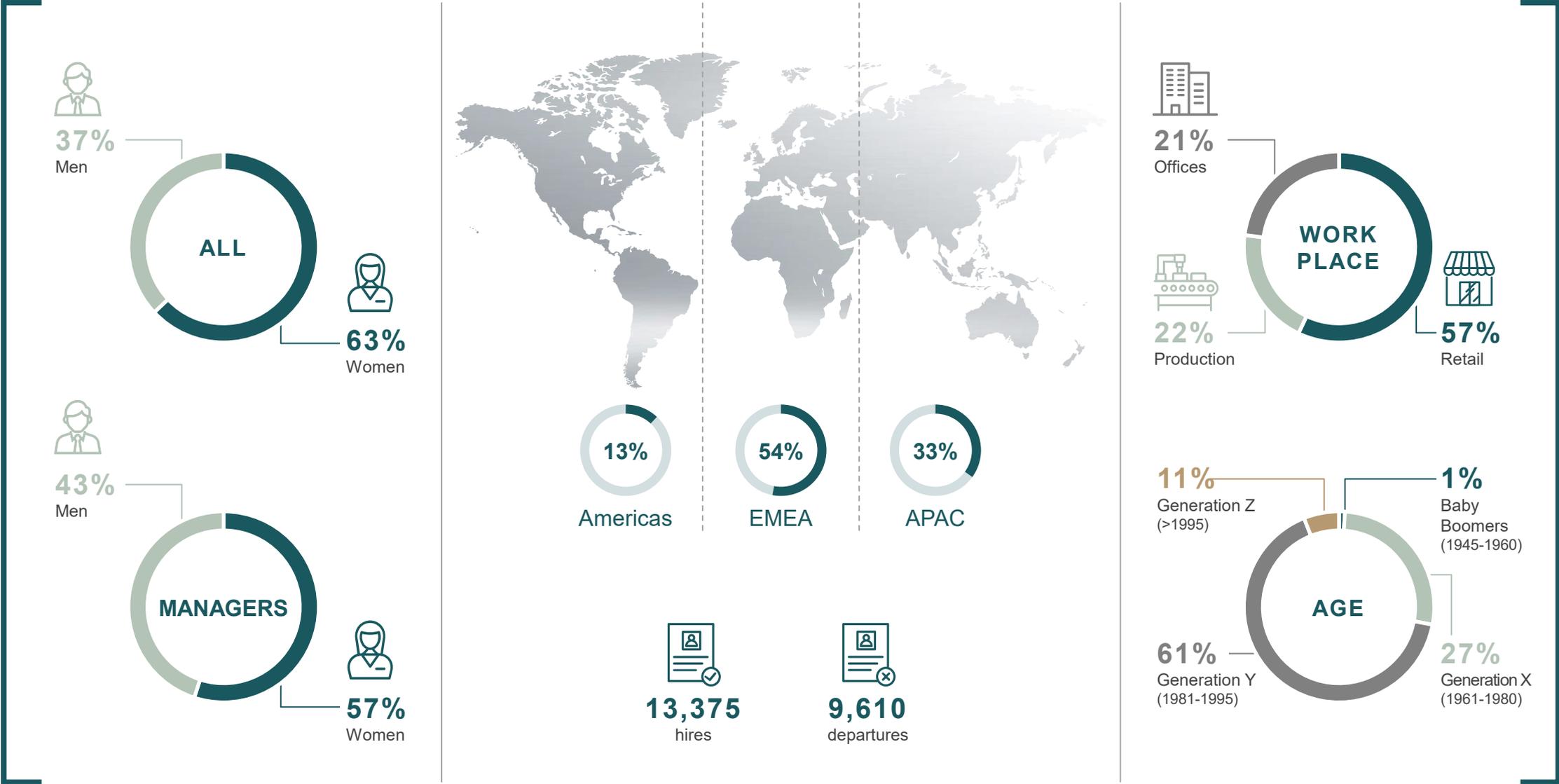
3. SUSTAINABILITY

**4. PEOPLE**



# KERING PEOPLE

47,227 PEOPLE



Source: 2022 Universal Registration Document. Data as of December 31, 2022  
 Scope: all employees but Maui Jim for all data points, all employees for total headcount. Regular contracts only (95% of headcount) for hires/departures and generation distribution



# OUR PEOPLE VISION



## BE THE PREFERRED EMPLOYER IN LUXURY

for responsible, ambitious individuals who want  
to make a difference in an open and diverse environment



## BUILD A “LOVED” AND RESPECTED MULTI- BRAND COMPANY

joining strong Houses together with a shared **culture** and sense  
of purpose, which everyone understands and is committed to



**Drive business  
& deliver results**



**Grow individually  
& collectively**



**Foster diversity  
& creativity**



# A GROUP TRANSFORMATION POWERED BY PEOPLE AND TECHNOLOGY



ADVANCE TALENT MANAGEMENT



BOOST EMPLOYEE ENGAGEMENT



BUILD AN AGILE & BUSINESS-DRIVEN GROUP



ACCELERATE EXCELLENCE IN HR



**ENABLED BY DIGITAL TECHNOLOGY AND AI**

- **Clear and constant HR vision**
- **Change via digital tools** to review, align and implement new processes, roles and **ultimately change mindset and behaviors**
- Strong catalog of shared **solutions** (HRIS, HRSS)



Go to Workplace to talk, share and make things happen



Go to Workday to manage all your HR activities



Go to Kering Connect to raise a query about HR or digital tools



Go to Kering Learning for all your online learning



## OUR RESPONSIBILITY TO OUR 47,000 PEOPLE



1

### **Creating diverse leadership in all Houses:**

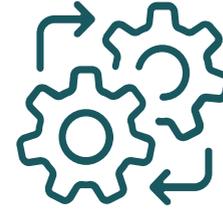
in terms of geographic and gender representation



2

### **Advancing equality in the workplace:**

aiming to achieve gender parity throughout the entire employee journey



3

**Developing Talent:** investing in professional development and continuous learning including substantial investments in upskilling people in key areas such as digital tools and platforms and reskilling managers to rise to the challenge of the generational shift



4

### **Engaging in a global dialogue with our 47,000 employees:**

enabling them with digital efficiency and transparency, offering them advanced social standards such as Global Baby Leave policy and employee shares program, and demonstrating sincerity in societal engagements



# 1. CREATING DIVERSE LEADERSHIP IN ALL HOUSES



OUR FOUNDATION: A GENUINE AND COMPREHENSIVE COMMITMENT TO INCLUSION ACROSS THE DIMENSIONS OF DIVERSITY



## OUR COMMITMENT FOR 2025

Increase diversity in key management positions, in terms of gender and geography, to better reflect our business footprint

Gender  
Equality

Culture /  
Ethnicity

Gender  
Identity /  
LGBTQIA+

Multi-  
generational

Disability

Socio-  
economic  
background

← 1 Global I&D team, 3 Regional I&D Lead, 11 I&D Committees (1/House) →



# 1. CREATING DIVERSE LEADERSHIP IN ALL HOUSES



## WHERE WE ARE

Women at Kering account for:

50%

Board of Directors



57%

Managers

42%

Kering Executive Committee

As of October 3, 2023



## DEVELOPMENT ACTIONS IN PLACE

### Recruitment:

- gender parity embedded in our recruitment process for key positions
- all HRDs trained on unconscious bias and inclusive recruitment

### Learning:

- following pilot with Kering Excom in 2022, inclusive leadership training rolled-out in 2023 for all Houses' Excoms
- employees trained on unconscious bias: one module in seven languages, three additional modules in English to explore the topic deeper, with new modules in development
- I&D embedded in mandatory yearly learning

### Engagement:

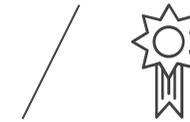
- launch of Women In Luxury global network in 2022
- development of BOLD (Black Organisation for Leaders in Diversity), Kering's Black ERG
- IWD celebrated in March, Pride month in June, I&D month in October
- Disability actions, at local levels

A global strategy,  
with a regional approach  
adapted to local contexts  
deployed by all Houses

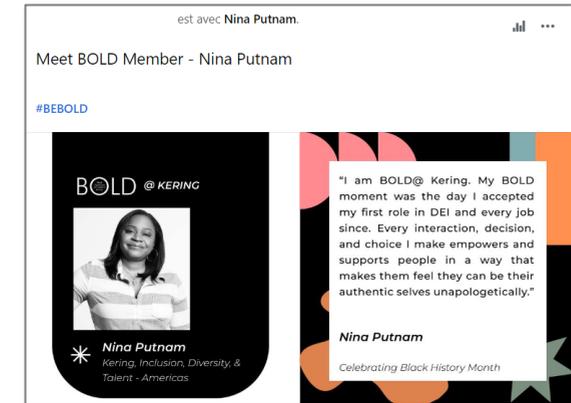
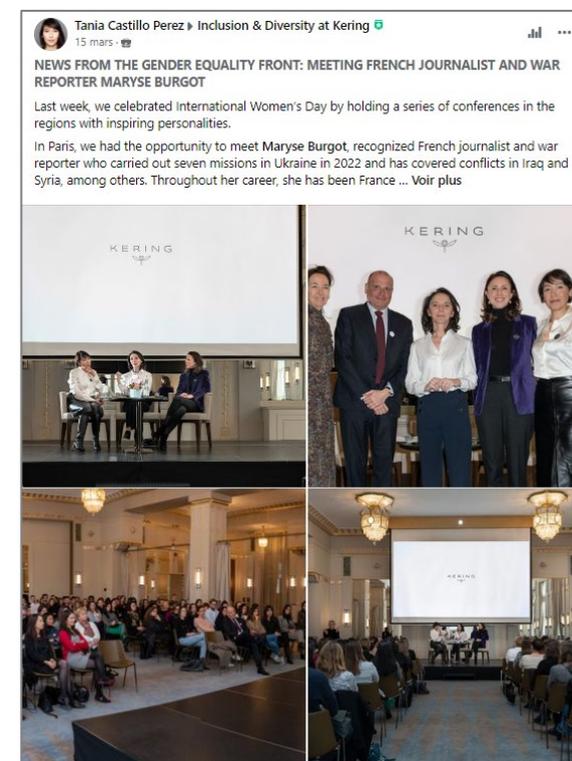
1 global I&D team  
3 regional I&D Leads  
11 I&D Committees



# 1. CREATING DIVERSE LEADERSHIP IN ALL HOUSES



## COMMUNICATION AT GROUP LEVEL



## 2. ADVANCING WORKPLACE EQUITY



### OUR COMMITMENT FOR 2025

- Gender parity at all levels
- Pay equity at all levels



**FRANCE**  
Kering Group  
Equal Pay Index  
2023<sup>1</sup>

**90/100**



**GLOBAL**  
2022 Adjusted  
gender pay gap  
by band

**0.4%**  
in favor of women<sup>2</sup>



### DEVELOPMENT ACTIONS IN PLACE

**Recruitment:**

- recruiters and hiring managers trained on inclusive recruitment (incl. how to balance our pipeline and use inclusive job descriptions)

**Learning:**

- target gender parity in our attendees for our leadership programs

**Development:**

- parity tracked by banding on a quarterly basis, in all Houses
- promotion rate monitored by gender and banding
- women representation measured in talent pipelines and succession plans

**Engagement:**

- launch of Women in Luxury global network in 2022

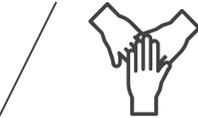
**Reward:**

- Kering Parity Index: internal tool to enable all our Houses to evaluate and monitor performance evolution in our key countries
- non-financial criterion on women representation in our TOP 500 for MD and CEO



Sources: 2022 Universal Registration Document. 1. Weighted equal pay index (Scope: all Houses in Kering Group in France, weighted by headcount); 2. this pay gap corresponds to the average of pay gaps by equivalent level of responsibilities

## 2. ADVANCING WORKPLACE EQUITY



Kering ranked 2<sup>nd</sup> in Refinitiv Global Diversity & Inclusion Index



Kering is leading on parental leave in Equileap European gender equality index



Kering achieved a 100% score in equal pay & gender pay parity in the Bloomberg Gender Equality Index





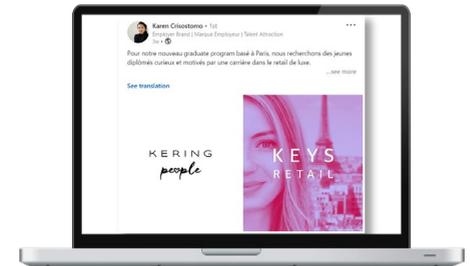
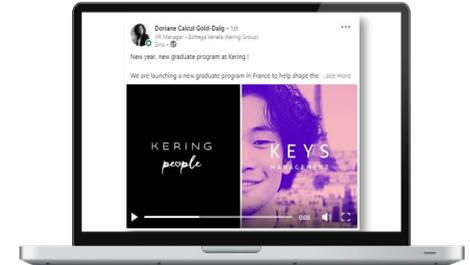
#### SKILL-BASED LEARNING

- **Kering Learning:** multi-language platform with tailored offer based on individual skill assessment
- **Development of Functional Academies**
- **First Global Learning Day, across all Houses and all regions**
  - Virtual mainstage
  - Local Masterclasses
  - House events
- **Managers upskilling** on performance, continuous feedback, career conversations



#### TALENT DEVELOPMENT

- Kering Keys Graduate Programs in EMEA
  - Kering Keys Retail in France (Pilot)
  - Kering Keys Management in France (Pilot)
  - Kering Keys Operations in Italy
- Gucci Grade in EMEA
- Kering Keys Retail Management Trainee Program in China
- Open ongoing career conversations for all
- Tailored learning path by function and experience

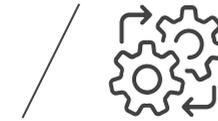


#### TALENT MOBILITY

- Simplified internal mobility process
- Communication campaign with testimonials from employees



## 3. DEVELOPING TALENT



### FIRST GLOBAL LEARNING DAY

#### WHAT IS IT

**Annual event** that gathers the entire Kering Group around the world to support our employees to develop their skills

**High-end event**, extremely well prepared (renowned speakers, public speaking training, video content creation...)

#### WHY WE WANT IT

A vivid learning culture BOTH

- Creates **business impact**
- Is key to **retention & engagement**

#### HOW WE DEPLOY IT

- Inspiring Talks from external speakers
- Talks/Experiences sponsored by Houses
- Kering Success Stories



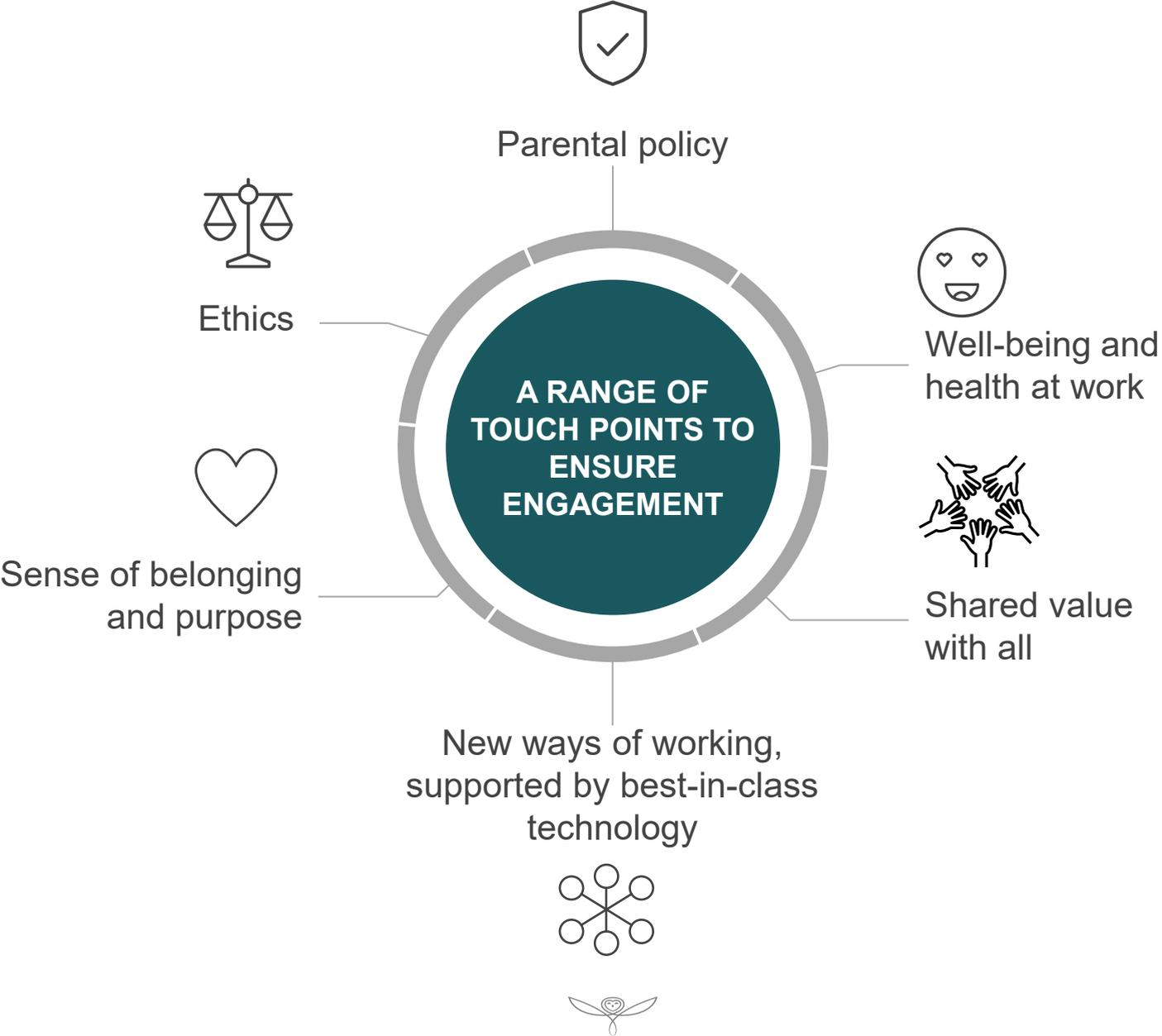


## 2023 KERING GLOBAL EMPLOYEE SURVEY

- 31 engagement, well-being, talent and I&D questions
- Optional question on self-identification as minorities to better calibrate our I&D approach<sup>1</sup>
- Global survey for all our employees, in 16 languages
- Strong response: **83% response rate**
- Engagement at **73%**
- Global action plan on Talent (career opportunities), well-being, internal communication, with regional adaptations and specific focus on women



# 4. ENGAGING IN A MEANINGFUL DIALOGUE WITH OUR 47,000 EMPLOYEES



## 4. ENGAGING IN A MEANINGFUL DIALOGUE WITH OUR 47,000 EMPLOYEES



### NEW AGREEMENT WITH EMPLOYEE REPRESENTATIVES ON WELL-BEING

#### Purpose

- Formalizing our **commitment in well-being** through a global agreement signed with employee representatives: agreement, signed in June 2023 with European Working Council
- Sharing a common definition of well-being at Kering, with 4 dimensions and related actions

#### Professional

Integration, skills development,  
conviviality

#### Social and environmental

Volunteering, decent standard of  
living, protection of the  
environment

#### Social and personal

Paid vacations, parental leaves,  
right to disconnect, domestic  
violence policy

#### Material

Health and safety



## 4. ENGAGING IN A MEANINGFUL DIALOGUE WITH OUR 47,000 EMPLOYEES



### PARENTAL POLICY: 14 WEEKS FOR ALL PARENTS

2020年1月1日开始，开云全球员工将拥有开创性的福利：所有开云集团男性员工享受至少14周的带薪产假。



从5天到14周  
在2017年1月起，我们的全球育儿政策为全球开云男性员工提供了5天带薪假。而从2020年1月1日起，带薪假期在全球范围内延长至14周。

平等育儿  
所有开云集团的员工，无论他们的个人情况或工作地点，都受益于我们的全球育儿政策，所有新晋父母无一例外都可在婴儿出生时享受14周带薪假期。



“通过这项政策，我们将十分自豪地支持每位新晋父母。开云集团全心全意致力于员工之间的平等以及多元化，而这一新的政策正是集团向前迈出的重要一步。”

——开云集团首席人力资源官  
Beatrice Lazat

正如我们的大中华区总裁蔡金青所言：“开云集团在中国引入了开创性的平等育儿政策。我们相信，我们对全球平等育儿政策做出的努力，将提高员工的忠诚度、工作满意度，并吸引更多顶尖人才，以此来提升员工的参与度和工作效率。”

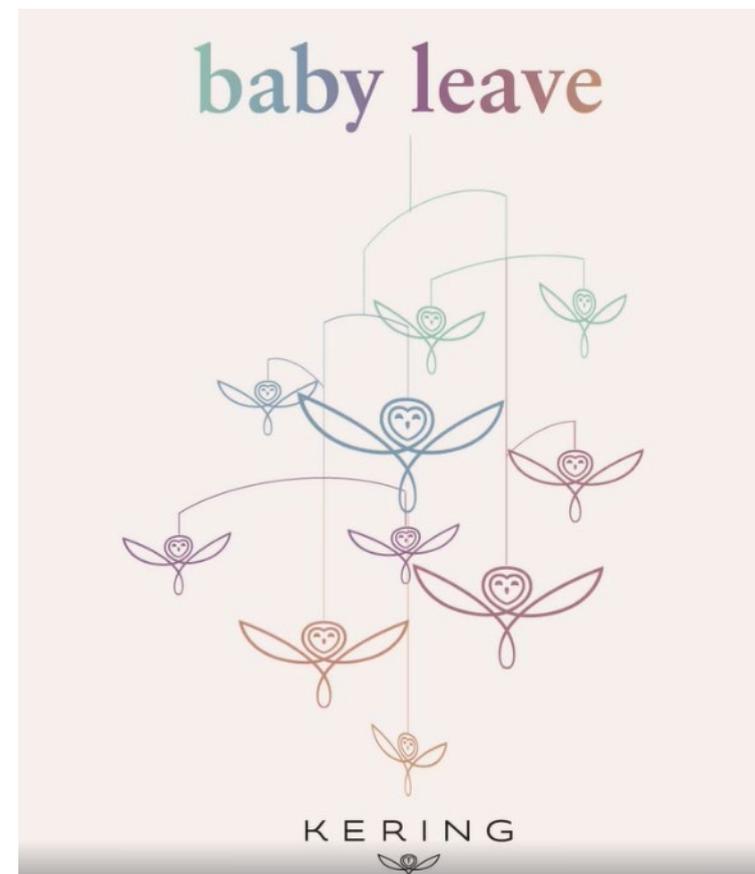
We are not just supporting men and same-sex partners by making it easier for them to take time away from work at this important moment in family life.

We believe this is a transformative change for women in every workplace, not just our own.

With their partners on hand to share the commitment of child-raising, it should have a powerful effect on the well-being of new mothers.

More importantly, in the future people considering women and men for roles or promotions will know that both women and men are **equally likely** to take time away from work to start a family. So there will be no risk in hiring a woman over a man.

This will be an important step in levelling the playing field for women everywhere.



## 4. ENGAGING IN A MEANINGFUL DIALOGUE WITH OUR 47,000 EMPLOYEES



SHARING VALUE WITH OUR EMPLOYEES  
LAUNCH OF THE FIRST EMPLOYEE SHARES PROGRAM IN 2022



### Purpose

- Further increasing a strong sense of belonging among Kering employees by allowing them to become shareholders of the Group at preferential conditions
- Part of Kering's commitment to share value with all its stakeholders, including employees

**82%** of Kering employees covered by the plan

from **8** geographies

Subscription rate of **31%**

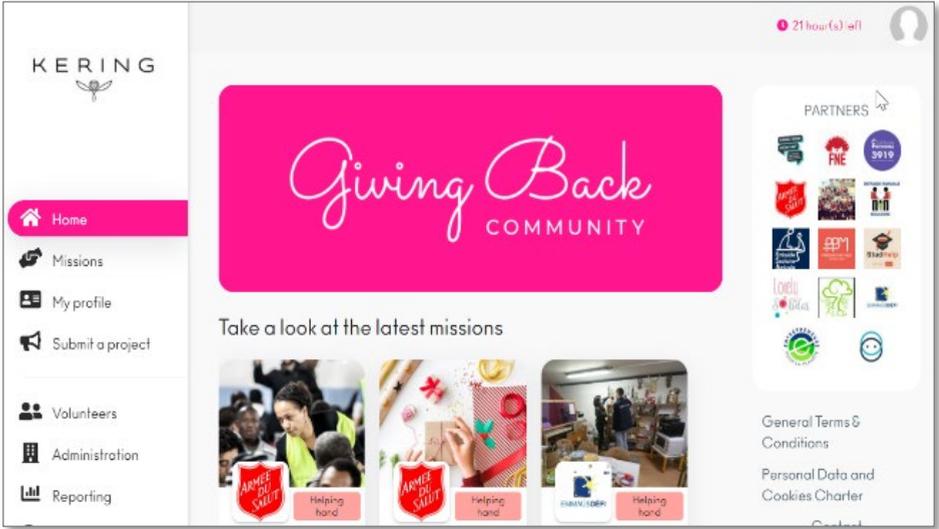
**102,862** new shares issued



# 4. ENGAGING IN A MEANINGFUL DIALOGUE WITH OUR 47,000 EMPLOYEES



## DEVELOPING A STRONG SENSE OF BELONGING AND PURPOSE



**21 paid working hours** per employee per year **to support local good causes**  
Scope: France, UK and Italy



# GUCCI

CHANGEMAKERS

**Up to 32 paid working hours** per employee per year **to support local communities**  
Global program



# 4. ENGAGING IN A MEANINGFUL DIALOGUE WITH OUR 47,000 EMPLOYEES



FOR IMPACT, SENSE OF BELONGING AND LONG-TERM RETENTION

@workplace 腾讯乐享  
Live streams  
lexiangla.com



January 11th 2023  
94 comments, 4.4k views



July 6th 2023  
7 comments, 1k views



November 9th 2022  
47 comments, 2.7k views



February 15th 2023  
79 comments, 4.5k views



July 28th 2023  
47 comments, 5k views



November 22nd 2022  
30 comments, 1.6k views



June 29th, 2023  
17 comments, 4.1k views



September 6th 2023  
85 comments, 5.7k views



# 4. ENGAGING IN A MEANINGFUL DIALOGUE WITH OUR 47,000 EMPLOYEES



## TRANSPARENCY AND RESPONSIBILITY A CULTURE OF INTEGRITY: OUR COMPLIANCE AND ETHICS ANNUAL CAMPAIGN

