

KERING
GUIDELINES
Buildings and
Sites

July 2025

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INTRODUCTION

The Kering Guidelines for Buildings and Sites are intended to support all Group teams involved in real estate negotiations, design and construction, and the operation of Kering's approximately two thousand sites, as well as the suppliers who assist in these activities.

This is an informative document that provides essential guidance to help our sites meet Kering's high sustainability standards.

A significant portion of Kering's environmental impact arises from the construction, renovation, and operation of its sites worldwide. These sites present a major opportunity for the Group to reduce its direct energy consumption (and associated Scope 1 and 2 emissions), as well as to minimize waste generation—both during renovation and dismantling, and throughout the operational life of each store.

For over a decade, Kering has actively worked to enhance the environmental performance of

its buildings. The first version of the Kering Standards for Stores was published in 2020, building upon initiatives launched as early as 2016. These efforts also led to the publication of the Guidelines for Offices in 2018. Thanks to these actions—including the large-scale deployment of LED lighting and the widespread adoption of sustainability certifications—**Kering has reduced the energy intensity of its sites by 50% between 2015 and 2024**, as shown in Exhibit 1.

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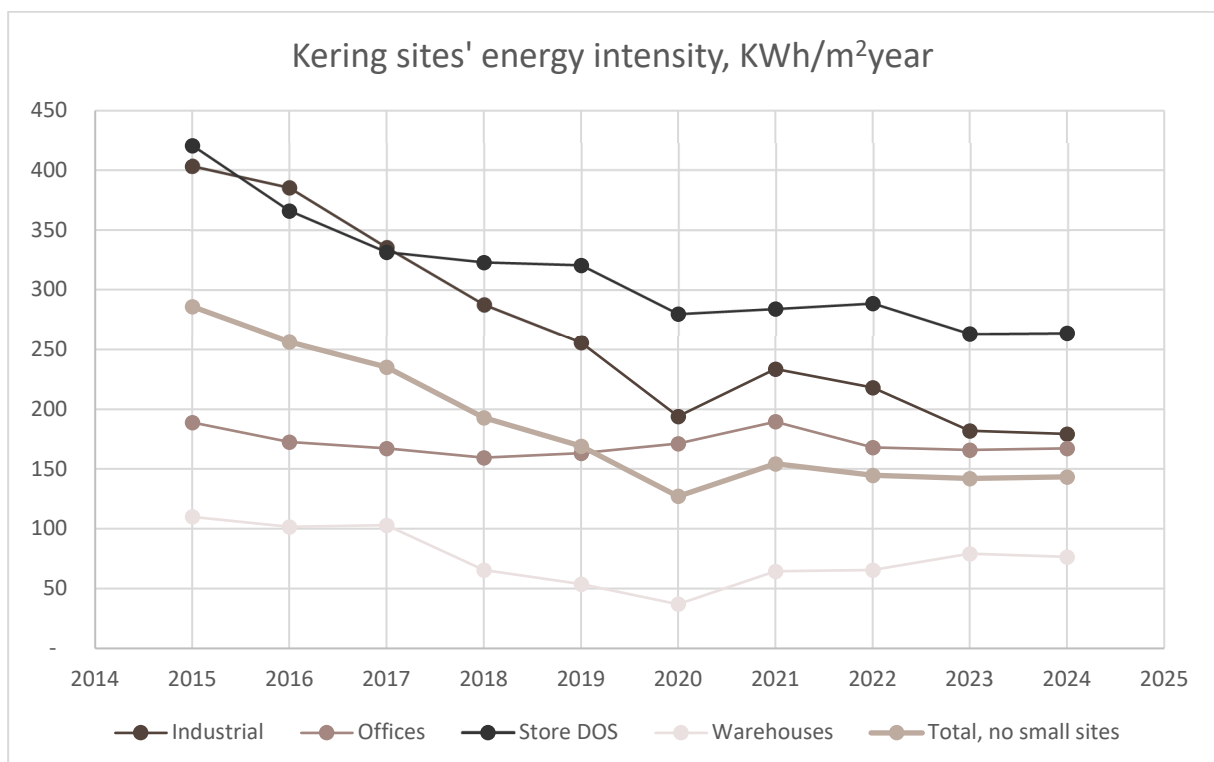


Exhibit 1: Energy intensity of Kering sites (excluding sites where Kering doesn't control energy use, like small offices and shops in shop) between 2015 and 2024.



Today, in line with our SBTi-validated climate targets and our commitment to a sustainable transition, we are updating our standards to reflect evolving technologies and regulations, particularly the EU Taxonomy (see Box 1).

To further reduce the environmental footprint of our buildings and ensure consistency across our real estate portfolio, Kering is issuing these updated guidelines. They are designed to help project teams deliver environmental efficiency across all stages of a site's lifecycle: acquisition, design, construction, operation, and dismantling.

The Guidelines are organized into four chapters:

- Real Estate
- Design & Construction – Large Sites
- Design & Construction – Small Sites
- Operation & Maintenance

Approach

Instead of developing a new sustainability standard, based on the gained previous experience, Kering decided to ask the involved teams only a few Kering-specific requests, and to mostly rely on third-party validated approaches for most of the sustainability specifications.

Thus, for **flagship stores and major projects** (with a budget > €1m) it is requested to:

- Achieve the **LEED certification** (targeting **Gold** or **Platinum** rating), due to its global applicability and consistency;
- Pursue the **alignment with the EU Taxonomy** to the largest extent and for the largest possible number of projects;
- Respect a few Kering-specific sustainability requirements as presented in this document.

In some cases, other certifications such as **BREEAM** or **HQE** may be used instead of LEED depending on local conditions.

For **smaller projects** or sites, when LEED or equivalent schemes cannot be pursued, their principles are used as internal design and construction benchmarks.

Why NOT a new standard

Despite having developed in the past our own standards, at Kering we learned that there are good reasons to use already existing ones. The main one is the **third-party certification**:

having an organization external to a company setting the requirements and verifying to which they are respected within a project will make any claim on the subject intrinsically more credible and solid respect to an internal scheme.

Moreover, a listed European company like Kering must disclose annually its alignment to the **EU taxonomy**, which for Kering touches the operations on buildings and sites. As this gets validated by the financial statutory auditors, any claim around EU taxonomy is highly credible.

There are already several sustainability certification schemes for buildings on the market, and there are several good reasons not to develop a new standard in the world of construction.

Kering sites (luxury stores, offices, warehouses and industrial sites) have no specific features that make using an existing standard unsuitable. Luxury store may have more intense lighting and use precious materials, but developing a standard taking this in consideration could mean watering down the requirements of any existing standard for retail, not specifically developed for luxury. As a luxury group we have the resources to address and balance these difficulties by properly choosing technologies and materials to be used at our sites, relying on existing certifications.

Among existing sustainability certification schemes, LEED (see Box 2) offers a balanced approach in addressing the impacts of buildings (location and transportation, water efficiency, energy and atmosphere, materials and resources, indoor environmental quality to mention the main ones) during design, construction, operation and demolition phases of a building or a portion of it. Respect to other certifications, LEED has:

- The largest record in terms of diffusion at world level (it is present virtually in every country of the world); thus, making its use operationally simpler than any other certification.
- The largest number of sites (about 200,000 in 2024) and certified surface; this implied a steep learning curve that allowed this standard to mature much quicker than any other.
- A very solid third-party verification system, preventing any organization supporting a client that wants to get



the certification at a site to be then the evaluator for the same site.

Activities covered and structure of the guidelines

These guidelines are structured in 4 chapters:

- **Real Estate:** it deals with the acquisition (purchase and leases) of buildings and sites, as well as with the renovation of deals. Within this chapter, it is indicated how to approach the landlords around sustainability topics, and which are the key topics to consider.
- **Design and Construction of large sites:** it deals with designing and building or renovating major sites, where pursuing the LEED certification, together with respecting some specific Kering requirements, fully apply. These requirements are sided with a summary of the requirements of the EU taxonomy to align an entire renovation project to it and with a guideline to support project teams in low energy consumption design. The chapter also deals with demolitions and construction waste management, which is normally part of construction activities.
- **Design and Construction of small sites:** it deals with smaller stores, office and warehouse projects, where pursuing a certification is out of scale or not technically feasible. Here, some simple requirements on energy using systems, waste management organization and on materials (all aligned with LEED requirements) are provided.
- **Operation and Management:** it deals with the use phase of the project. It is largely dedicated to facility management topics and staff and on

how to optimize operations and settings, but it also provides tips to improve the environmental performance of the site through small permanent improvements. Then, it suggests ways to engage on sustainability employees/ site users and provides indications on monitoring the performance of any site.

Each chapter has an introduction followed by the requested specifications, which are divided into:

- **Requirements for 2025:** indicating what is being already done and must be done in each project
- **Additional Best Practices:** including indications that project teams must make their best efforts to obtain. These practices are more complex to achieve and may not be applicable to all contexts.

Kering approach in implementing the guidelines

In general, Kering pursues a holistic and collaborative approach with all stakeholders: public authorities, landlords, architects, general and specific contractors, facility management companies, even our clients. This is also the reason why we want to rely on open and publicly available certification standards. We want to go beyond compliance but using legally recognized tools, like the EU taxonomy, to measure and share how much we go beyond.

We hope that this openness and use of publicly available tools can help the whole real estate sector in achieving the much-needed leap towards sustainability and climate neutrality of the sector.



BOX 1: EU Taxonomy Guide

The EU Taxonomy is a key regulation introduced by the European Commission to ensure **transparency** in **sustainable finance** and eliminate greenwashing. It defines a unified classification system to assess whether an economic activity is environmentally sustainable.

It applies to all **EU-listed companies**, requiring them to report the share of their capital expenditures that are Taxonomy-aligned, including investments made **anywhere in the world**. This disclosure directly impacts a **company's ESG ratings** and influences market valuation and investor confidence.

To ensure compliance, consistency and high environmental performance, this document **internal technical guidelines** for Construction and Real Estate that integrate the EU Taxonomy criteria into all relevant activities.

Although not all sectors are currently covered by the EU Taxonomy, the activities falling within its scope for the Kering Group relate to Construction and Real Estate, including:

- All lease contracts
- All renovation works
- All new construction projects or parts of buildings

All such projects are Taxonomy-eligible, meaning they must be evaluated for alignment. Their impact on the Group's sustainable investment share depends on their compliance:

ALIGNED: Meets all Taxonomy criteria → counts as green investment	NOT ALIGNED: Fails to meet even a single Taxonomy criterion → not counted as green investment
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The EU taxonomy for buildings is made up of 7 articles, the main ones being, for Kering, the 7.2 and 7.7:

- 7.1: construction of new buildings. This is a very rare situation for Kering as an owner, in this case the project team is instructed to refer to the Kering Corporate Sustainability team.
- 7.2: renovation of existing buildings. This is the key article regarding renovation. If a project is able to align with these requirements, then the whole CAPEX of the renovation can be declared aligned to the regulation.
- 7.3: Installation, maintenance and repair of energy efficiency equipment
- 7.4: Installation, maintenance and repair of charging stations for electric vehicles in buildings
- 7.5: Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
- 7.6: Installation, maintenance and repair of renewable energy technologies
- 7.7: Acquisition and ownership of buildings: This is the key article regarding real estate.



BOX 2: LEED Certification Overview

LEED (Leadership in Energy and Environmental Design) is an **international third-party certification system** for sustainable buildings. It is recognized globally as a reliable, independent benchmark.

Kering Guideline are grounded in **third-party certification**, as it represents the most credible and transparent way to assess sustainability performance.

LEED not only guarantees independent validation but also integrates the specificities of each project type through dedicated protocols.

External, standardized metrics offer a **more reliable foundation** than self-assessed frameworks, and are better suited to ensuring consistent, high-quality outcomes across our global portfolio.

Why Kering Guidelines adopt LEED

Third-party verification	Ensures independent, unbiased assessment of sustainability performance
International scope	Applicable in all countries where Kering operates
Versatile protocols	<p>Adapts to different project types and stages</p> <ul style="list-style-type: none"> • Retail and office fit-outs: LEED ID+C – Interior Design & Construction • New buildings or major renovations: LEED BD+C – Building Design & Construction • Ongoing operations and management: LEED O+M – Operations & Maintenance
Standardized and credible	Offers consistency across the global portfolio

LEED versions – Version 4.1 and Version 5 vs. Kering guidelines.

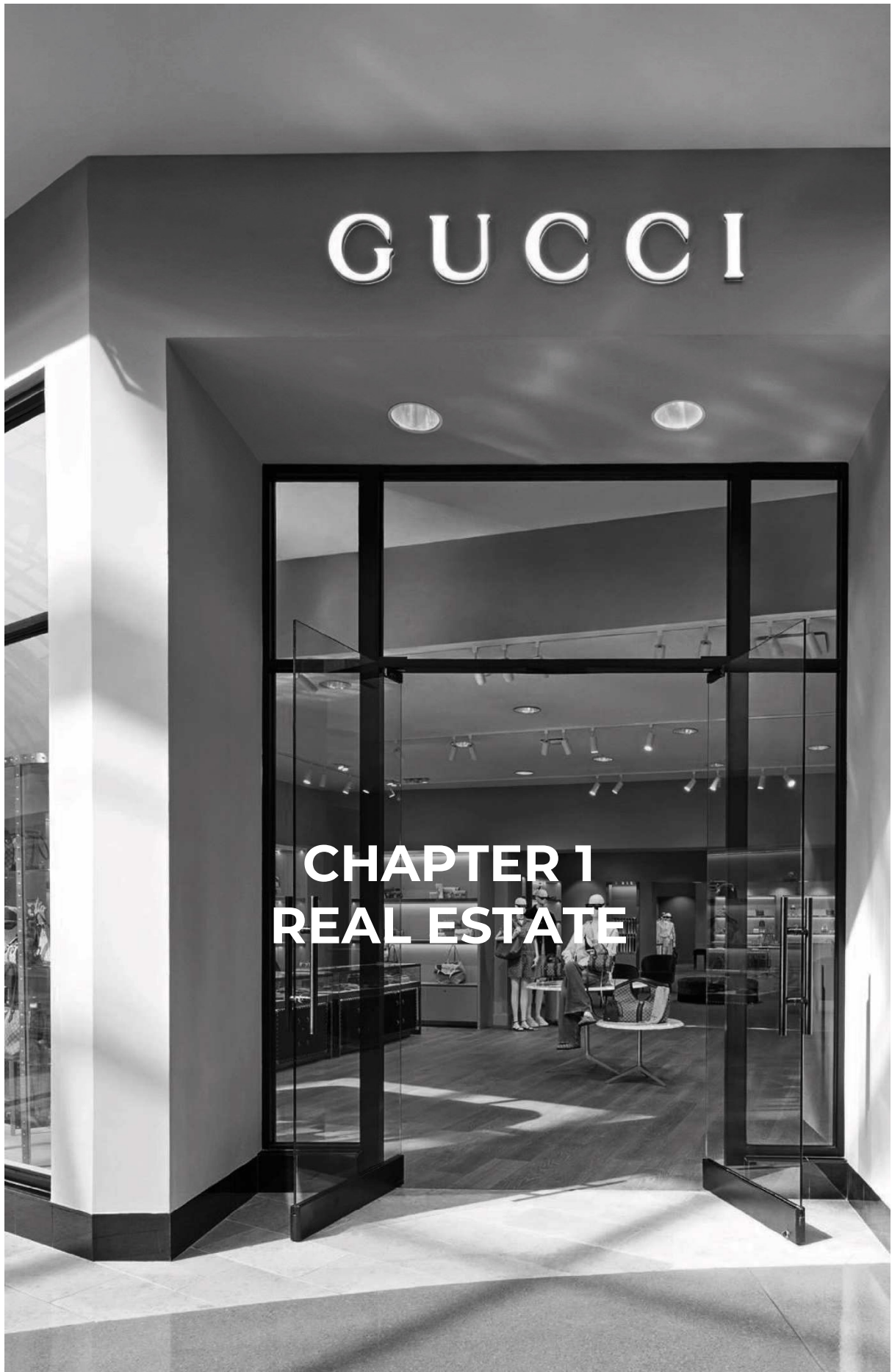
The first version of LEED was issued in 1998. Since then, the protocol evolved and improved following the evolution of science, technology and architecture becoming more and more demanding. The currently used version of LEED is version 4.1. The next version 5.0 is already available, and projects registered from mid-2026 will have to refer to the new version.

Version 5.0 is significantly more demanding on several aspects, so achieving the same rating will imply a considerably stronger effort.

Within this guideline, when we indicate that we target Gold or Platinum rating, we refer to the currently used Version 4.1. Once the new version will be in force, our ambition will take into account the increased difficulties.

However, when we indicate quantitative thresholds within this document (on lighting intensity and other topics) we aligned to the next version v5.





This chapter is focused on Real Estate, i.e. on the acquisition of sites: purchase, sale, leases (new ones or renovations).

This area is crucial in sustainability because in most cases the environmental performance of a site is determined much more by the core and shell of the building than by what can be done renovating the interiors. This is why in developing the European Taxonomy the legislator gave primary importance to guide companies in the choice of sites that already offer a very good environmental performance: in this way the real estate market will quickly shift towards low energy, sustainable buildings.

The alignment with the EU Taxonomy is important, but for Kering the relationship with landlords on sustainability topics does not end with it. In several situations, and especially in the case of malls and airports most of the services around the site are managed by the landlord. Here having a good relation helps in getting a full view of environmental data (around energy, water and waste management), and in mutually improving environmental performance.

Kering aims to align to the EU Taxonomy as many real estate deals as possible and to systematically develop a discussion on sustainability with each interested landlord, so to continuously improve performance of the sites and of the places where they are located. To this regard, Kering engaged on collaboration with landlords on these topics in different geographies around the world and made public such a collaboration in China.

The Kering Guideline for Real Estate aims at improving the environmental performance of our sites starting with the earliest discussions with landlords and with the continuous relationship with them. In this area, aside the relevant article of the EU taxonomy used as a guidance, Kering proposes a collaborative approach to landlords in sustainability performance of the sites when entering, deals, as well – where relevant – on day-by-day site operations.

In summary, the key principles that underpin the Kering Guideline for Real Estate are:

- Entering and developing a dialogue with landlords on sustainability.
- Pre-assess first, and try then to align as much as possible to the EU Taxonomy article 7.7 dealing with real estate acquisitions
- Work with landlords with mutual benefit on sustainability certifications and environmental topics on new deals
- Where relevant, collaborate with landlords in environmental data sharing and on sustainable operation of the site, including accessibility of the site.



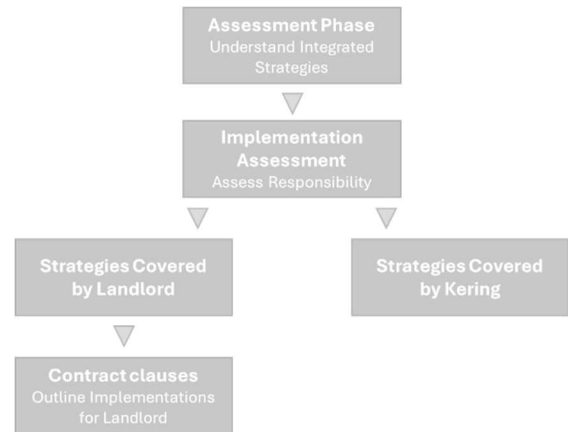
PRE-ASSESS THE FEASIBILITY OF ALIGNMENT WITH THE EU TAXONOMY

During the site acquisition phase, an assessment is done to understand the feasibility of aligning the deal with the taxonomy. In practice, the following things must be done:

- Understand which strategies are already integrated into the building.
- Determine which strategies still need to be implemented, and if they are feasible.
- assess and agree which of the strategies to be implemented can be covered directly by the landlord and which will need to be addressed by Kering, so to ensure that at the handover the site will fulfill all conditions required by the EU Taxonomy.
- Once the agreement is found, clauses with the landlord summarizing the results of the assessment and outlining the potential implementations to be undertaken.

Following the complexity of the EU Taxonomy, this task of pre-assessment needs an expert with specific skills. These skills are quite aligned to those needed for pre-assessing the feasibility and achievable rating for a LEED certification, so the same expert is needed. The main difference respect to a LEED certification is that the preassessment is done prior to lease

singing, and thus earlier than certification timing.



Aligning with the landlords on sustainability standards that go far beyond the current practice on the market may seem very challenging. In practice, however, everything comes into agreeing some additional sustainability topics in the way the site will be at the handover and in clearly defining who makes what before the handover. This is described in Box 3, where a new **“green box” approach** is proposed as an evolution of the business-as-usual white box approach, common in present day deals.



BOX 3: Transitioning from White Box to Green Box

Kering promotes a “Green Box” approach for all new lease agreements and fit-out projects. This strategy supports alignment with the EU Taxonomy and enhances the environmental performance of leased real estate assets.

White Box - <i>Conventional approach</i>	Green Box - <i>Preferred approach</i>
<ul style="list-style-type: none"> • Space delivered in basic, non-finished condition • No guaranteed environmental performance • Tenant responsible for all sustainability upgrades • High risk of non-compliance with EU Taxonomy 	<ul style="list-style-type: none"> • Space delivered with pre-defined environmental performance criteria (e.g. thermal performance of walls and windows, high-efficiency HVAC, etc.) • Designed to meet or support EU Taxonomy alignment • Reduces need for retrofitting and accelerates sustainability compliance
Why it matters	<p>Benefits of Green Box conditions include:</p> <ul style="list-style-type: none"> ✓ Ensuring alignment with EU Taxonomy and sustainability goals ✓ Potential costs pre-identified early enough ✓ Better sustainability reporting across real estate assets ✓ Shared responsibility between landlord and tenant ✓ Higher asset value and lower environmental impact



ALIGNMENT TO THE EU TAXONOMY ARTICLE 7.7

Alignment with the EU Taxonomy for acquisitions implies simultaneously fulfilling the following series of requirements. Fulfilling part of them will anyways improve the environmental performance of the site. As the most challenging requirements are on the energy performance of the site, and as this topic is mainly part of the design and construction works (Chapter 2), a full guidance for energy efficient design is provided in Chapter 2.

Climate risk assessment

The project must undergo a climate risk assessment. Risks in the project location must be assessed, according to the local climate, the expected climate changes and the specific geological and hydraulic features of the site, among a series of possible chronic or acute situations related to temperature, wind, water and solid masses, as indicated in Appendix 1. This assessment must be done either by Kering or the Landlord. The assessment shall be aligned with the following international standards:

- **ISO 14090:2019**, Adaptation to climate change – Principles, requirements and guidelines
- **ISO 14091:2021**, Adaptation to climate change – Guidelines on vulnerability, impacts and risk assessment

If risks emerge, it is mandatory to implement a **climate vulnerability assessment** and find appropriate solutions to **mitigate** them in accordance with the methodologies described in the above standards.

Primary Energy Demand

The requirement for maximum primary energy demand depends on the date of construction of the building.

Case 1: Buildings built before 31 December 2020

If the building was built in 2020 or earlier, there are 2 options:

Option 1 – Energy Performance Certificate

The building has at least an **Energy Performance Certificate (EPC) class A**. An EPC is a document that provides information about the energy efficiency of a building. In the countries within the European Union, the EPC gives the building (or the portion of building) an energy efficiency rating from **A** (the most efficient) to **G** (the least efficient). In other countries and regions of the world there may be

equivalent systems or not. In this case, the project may obey the local equivalent of Class A, if existing, or be rated against the rating system of a European country.

Option 2 – Within 15% of the national building stock:

The building's **Primary Energy Demand (PED)** is within the **best 15%** of the national or regional building stock. Primary Energy Demand refers to the total amount of energy required to heat, cool, and operate the building, including energy losses in production, transmission, and distribution.

In this case, it is necessary to determine the national or regional building stock in terms of primary energy demand (PED). Once this has been established, the building's PED must rank within the top 15% of energy performance standards

Case 2: Buildings built after 31 December 2020

The Primary Energy Demand (PED) resulting from the construction is at **least 10% lower than the threshold set for the nearly zero-energy building (NZEB)** requirements in national regulation.

A NZEB is a highly energy-efficient building that has a very low energy demand, with most of its required energy sourced from renewable sources. The energy consumption of a Nearly Zero-Energy Building NZEB varies depending on local climate, building use, and specific national or regional standards.

If the country where the building is located lacks specific NZEB regulations, the building must be assessed with the Primary Energy Consumption requirements by applying the standards set for NZEB in a European country. This approach ensures that the building meets a recognized benchmark for energy efficiency, even in the absence of local regulations.

Air-tightness testing

If the building was built after 31 December 2020 and the site surface is larger than 5.000 m², the building is either tested for airtightness and thermal integrity after construction or robust and traceable quality control processes are in place during the construction process (if under construction).



Life-cycle Global Warming Potential

If the building was built after 31 December 2020 and is larger than 5.000 m², the life-cycle Global Warming Potential (GWP) of the building for each stage of its life cycle must be calculated. The GWP is assessed as a numeric indicator for each life cycle stage expressed as kgCO₂e/m² (of useful internal floor area) averaged for one year of a reference study period of 50 years. The data selection, scenario definition and calculations are carried out in accordance with EN 15978 norm.

Metering

If the building or site has a rated power above 290 kW, it is efficiently operated through Energy Performance Monitoring and assessment, such as an Energy Performance Contract or a Building Automation and Control System.

GREEN BUILDING COLLABORATIVE APPROACH WITH LANDLORDS

As part of its ongoing commitment to sustainability and environmental excellence, Kering has developed the “Green Building Collaborative Approach” to foster a constructive and transparent dialogue with landlords. This initiative aims to align efforts between Kering, as a tenant, and property owners to enhance the environmental performance of retail spaces. By addressing key technical topics — ranging from energy performance and water management to materials selection and metering — this collaborative framework seeks to identify shared opportunities for improvement and innovation. The document outlines 9 key technical points that serve as a foundation for this dialogue:

- 1. Compliance**
- 2. Third-party certifications**
- 3. Climate risk assessment**
- 4. Design for flexibility and circularity**
- 5. Embedded carbon**
- 6. Energy performance**
- 7. Energy and Water metering**
- 8. Waste collection and disposal**
- 9. Renewable energy supply**

Points 1 to 5 are particularly relevant for new deals and renovations, while points 6 to 9 are mostly relevant during store operations.

These points may also be considered, where mutually agreed upon, as potential clauses to be integrated into lease agreements, wherever practicable and agreeable to both parties. This approach ensures that sustainability ambitions are embedded not only in operational practices but also in the contractual relationship between Kering and its landlords, supporting long-term environmental and business value for both parties.

1 - Addressing compliance topics

It is essential that Kering and landlord exchange key practical information regarding the shop and the building. Each party should provide relevant documentation demonstrating compliance with applicable national and legal requirements related to the topics outlined in this document. Both parties will find ways to share these documents in a manner that is efficient, brings clarity and mutual understanding. The topics around compliance to be considered are:

- Construction Completion and Acceptance Record
- Electric, mechanical and plumbing systems
- Electrical grounding
- Fulmination risk
- Anti-seismic regulations
- Fire safety
- Energy Performance Certificate

2 - Third party Certifications

If the building/site has received a sustainability certification (e.g. LEED, BREEAM, BEAM, China Three Stars, CASBEE or pertinent local certification), the landlord shall provide the tenant with all the documentation associated with the certification. Vice versa, if the tenant pursues a sustainability certification, the relevant documentation shall be provided by the tenant to the landlord.

Kering has an objective to get LEED certification, gold or platinum level, for all stores and offices by 2035. The requirement for maximum primary energy demand depends on the date of construction of the building.



3 - Climate Risk Assessment

Kering expects that a climate risk assessment be conducted for each location in areas identified as high-risk. The table in Annex A outlines a suggested list of climate risks to be considered, where applicable. Not all risks shall be included; the landlord and tenant can discuss which risks are relevant on a project-by-project basis.

To support transparency and informed decision-making, the landlord is invited to share relevant documentation on the climate risk analyses performed, if any, on the buildings where Kering holds a lease.

If any risks were identified, a climate vulnerability assessment would have to be carried out, followed by the development of a climate adaptation plan. The adaptation measures—such as employee safety protocols—shall be shared between both parties to ensure coordinated implementation.

4 - Design for flexibility and circularity

Both parties agree to promote design and construction approaches that support flexibility of use, enabling future changes in layout or function with minimal disruption, waste generation, and need for new materials.

They also commit to favor construction techniques that allow for disassembly rather than demolition, and to enable the selective recovery, reuse, or upcycling of structural and finishing materials at the end of the site's life cycle.

Wherever feasible, both parties will prioritize the sourcing of local materials to reduce environmental impact and support regional economies.

5 - Embedded carbon

For new buildings, sites, and renovation projects, both parties will make their best efforts to assess the embedded carbon associated with the production of construction and finishing materials, as well as the energy consumer in the construction works. In particular, they will exchange best practices regarding calculation methodologies and carbon emission factors (carbon coefficients) to ensure consistency and transparency in the assessment process.

6 – Energy Performance

Both parties shall assess whether the building, and/or the fraction leased, may qualify as a green building under the criteria set by European Taxonomy. The previous section provides some more details on European Taxonomy.

The landlord will endeavour to share data and information to support the tenant's efforts to benchmark against the European Taxonomy requirements.

7 - Energy and water metering

To support transparent and effective energy and water management, both parties will collaborate to ensure access to reliable consumption data. When meters are not directly accessible to the tenant, the landlord will help facilitate regular monitoring by sharing energy and water usage data for the shop on a frequency defined together (monthly data, shared at least on an annual basis).

The landlord is invited to share the following monthly data, on an annual basis, to enable the tenant to estimate their share of energy and water use:

- Landlord's electricity use intensity
- Landlord's cooling energy intensity from district cooling (where applicable)
- Landlord's heating energy intensity from district heating (where applicable)
- Landlord's natural gas use intensity or other forms of energy (i.e. diesel, fuel oil) (if applicable)
- Landlord's water use intensity

The parties engage to review the environmental data shared, explore and take actions to improve environmental performance. This can involve performance benchmarking, best practices sharing, and engaging store staff to enhance environmental performances).

8 - Waste collection and disposal

Both parties shall work together to ensure effective waste separation and recycling practices within the shop.

The landlord shall provide clear rules for waste collection and recycling, dedicate appropriate space and centralized facilities for waste separation and storage (whose capacity is aligned with the shop's operational needs

To promote transparency and continuous improvement, the landlord shall share relevant information such as the type of waste management operator(s) in place (e.g.,



municipal or private), whether it includes general waste or recycling

9 - Renewable electricity supply

Kering is committed to sourcing 100% renewable electricity for all its sites worldwide, in line with the RE100 initiative's recommendations. In this context, where the electricity is or can be supplied by the landlord (like it often happens in malls or offices), both Kering and the landlord will collaborate to explore renewable energy solutions for each site. This includes evaluating green electricity contracts or certificates, understanding the renewable share of district energy networks, and sharing data on any on-site or off-site renewable energy systems.

In particular, if the energy is managed by the landlord and the local electric system allows it the landlord shall buy renewable energy through green energy contracts or by green energy certificates so that the shop's electricity consumption is covered with 100% renewable energy. If the building, and hence the shop, is connected to a district heating and/or a district cooling network, the landlord shall provide documentation on the renewable share of the provided heat. If the building operates its own renewable energy systems (onsite or offsite), the landlord shall provide estimated annual renewable energy production figures, as well as how much it represents (in %) with respect to the building's total energy consumption (heat and electricity)

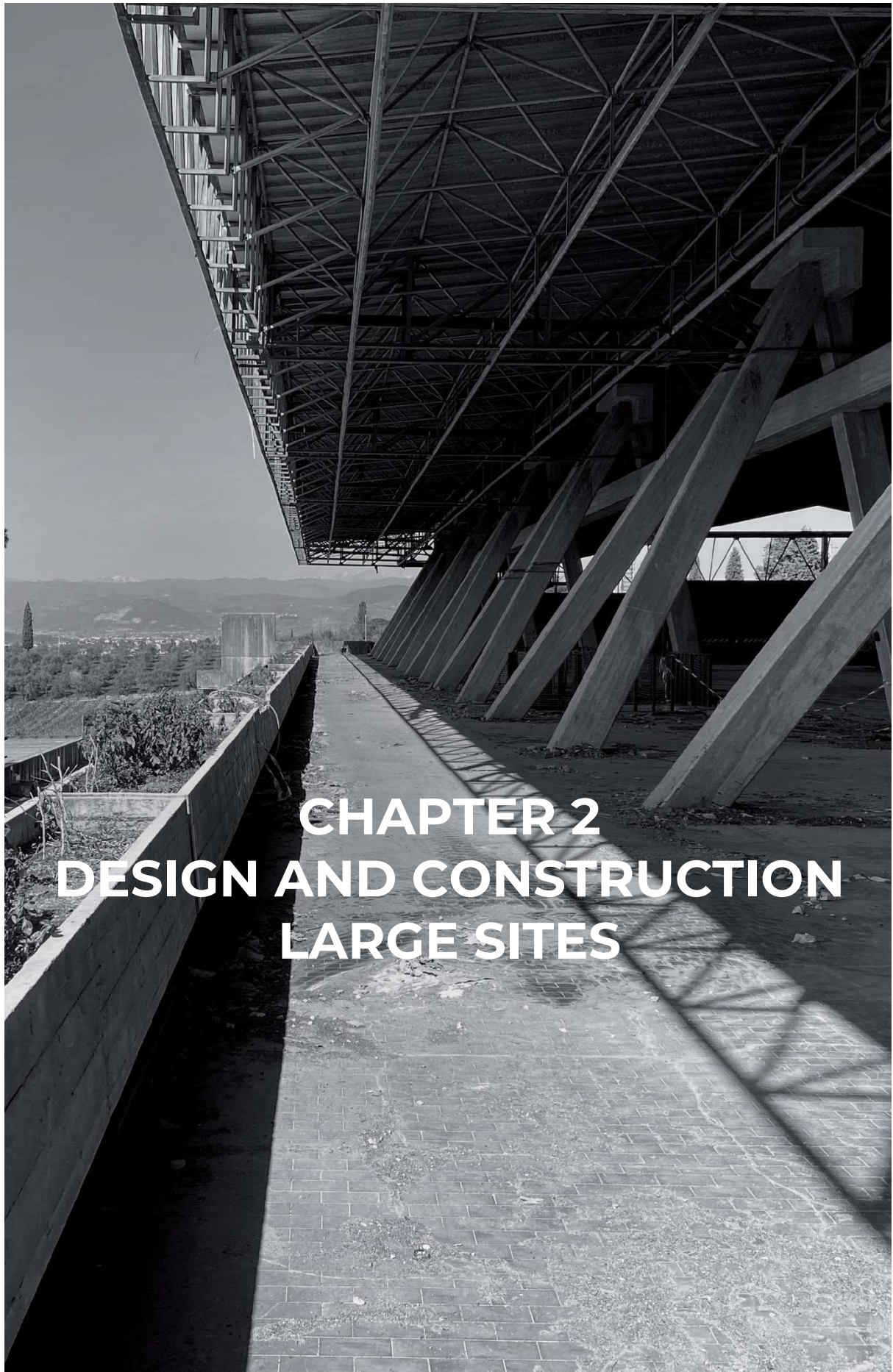
ACCESSIBILITY

Improvement of accessibility

Kering aims to work with landlords to improve spaces, products and experiences that are enjoyable by people with a wider and wider range of abilities and disabilities.

This includes considering visual, auditory, motor, and cognitive impairments, to ensure that everyone can access and understand information, navigate interfaces, and interact with digital content, physical environment and products effectively..





This chapter is focused on **Design and Construction of Large sites**. For large sites we consider spaces (stores, offices, warehouses, industrial sites) of relevant size, where:

- the project budget is above one million euros

Or

- the site is a headquarter of a flagship store.

Most of Kering environmental impact of direct operations comes from large sites, in terms of energy and water use, waste production, materials use and land occupation.

The specifications provided are meant to support project teams in aligning projects with the European Taxonomy and to support the achievement of the LEED certification of the site which is requested by the Group for all flagship stores and major projects (new sites and renovations). Within this chapter all the topics related to renovations and new realizations are considered, with one exception: for industrial sites here only the building and its spaces used for tertiary activities (warehouses, offices, eventually retail) are considered. For the industrial processes, please refer to "*Kering Standards for Sustainable Production*".

For the projects treated within this chapter, Kering has some minimum requirements to be respected, aimed at ensuring energy and water efficient buildings fed by renewable energy only, and at avoiding the use of PVC. It is also requested, for these projects, to pursue the LEED certification Kering targeting platinum or gold rating. Kering design and construction teams shall make their best efforts to align with the EU Taxonomy Article 7.2, related to buildings' renovation. If this alignment was not totally possible, partial alignment would be anyway welcome. As both LEED and the Taxonomy require high energy performance buildings but do not impose a path to achieve it, a guideline on design of energy efficient sites is provided to support design teams and their suppliers to reach these performance levels.

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The Kering Guideline for Design and Construction of large sites aims at providing indications to achieve exemplary environmental performance at the main sites of the Group.

It demands some specific requirements on avoiding resource-inefficient and climate unfriendly technologies, as well as on avoiding use of PVC, and largely relies on buildings' sustainability certifications and EU Taxonomy article 7.2 to achieve the goal, and is complemented with a guideline to achieve very low energy consumption.

In summary, the key principles that underpin the Kering Guideline for Design and Construction of large sites are:

- Avoid the use of inefficient heating and cooling technologies and of PVC,
- Aim for a sustainability certification of the site, like LEED, targeting a high rating
- Do your best to align with the EU Taxonomy for renovations
- Exploit the guideline for low energy buildings and sites to achieve the performance needed by the certification and the Taxonomy.



MINIMUM REQUIREMENTS

KERING SPECIFIC REQUIREMENTS

Stop using fossil fuels for heating

In renovation and new installations do not install any gas or oil boiler anymore. Use heat pumps instead.

Do not use of VRV, VRF and split systems

In order to minimize or avoid the use of F-gases and to have heating and air conditioning systems maintaining their efficiency with time, avoid the use of direct expansion systems, commercially VRV (Variable Refrigerant Volume), VRF (Variable Refrigerant Flow) or split systems. Use hydronic or full air system instead.

Avoid electric resistance heating as the main heating system

Although some electric resistance heating may be considered for support heating in

some parts of the site or for some specific functions, in general use heat pump systems.

Do not install once-trough potable water-cooled air-conditioning systems

Avoid the use of potable water as the heat sink in air conditioning systems. In case there seems not to be any other alternative, contact the Sustainability team for support.

Avoid the use of PVC

The building's design excludes the use of **materials containing PVC**, including finishing materials¹, MEP piping for water, and electrical cable sheathing.

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PURSUE A SUSTAINABILITY CERTIFICATION

LEED ID+C

In general, **Certify the interior spaces according to LEED - Interior Design & Construction (ID+C)**. Targeted score: **Platinum**: (> 80 points), or **Gold** (60-79 points) in case of limiting constraints. Box 4 provides information on the LEED ID+C.

LEED BD+C

In case the renovation involves the whole building, also, **Certify the core and shell of the building according to LEED - Building Design & Construction (BD+C)**. Targeted score: **Platinum**: (> 80 points), or **Gold** (60-79 points)

in case of limiting constraints. Box 5 provides information on the LEED BD+C.

Other Certifications

In case the site is in a building that already has a certification, **Certify the interior spaces** according to the same scheme as the entire building. Targeted score: first, or second highest rating level of certification. Some countries have developed specific building certification schemes that are relevant to the local context (e.g. BREEAM in the UK, HQE in France, BEAM in Hong Kong, etc.). In these cases, Kering may consider getting also the local certification based on the recommendations made by its local partners.

¹ Finishing materials are the materials applied to surfaces after the main structure is built, to enhance both the appearance and functionality of a building. They include a wide range of items like paint, flooring, and various decorative elements, as well as materials finishing the furniture's surface.



BOX 4: LEED ID+C – Sustainable Interior Fit-Outs

The **LEED ID+C** (*Interior Design and Construction*) rating system is tailored for commercial interior fitouts, including retail, and office spaces within existing buildings.

LEED ID+C provides a framework for the **sustainable design and construction** of commercial interiors, aligning tenant spaces with **high-performance** and **resource-efficient** strategies.

Why Kering Guidelines adopt LEED ID+C

Applicability	<p>Interior fit-out projects:</p> <ul style="list-style-type: none"> • Retail • Offices
Focus	Sustainable fit-out of interior spaces to support energy, resource, and health performance.
Essential elements	<ul style="list-style-type: none"> • Efficient systems and resource use Deployment of high-efficiency lighting, HVAC zoning, low-flow fixtures, and submetering to optimize operational performance post-occupancy. • Data-informed performance strategies Use of energy models, lighting simulations, and daylight assessments to guide interior layout and systems integration. • Occupant health and indoor environmental quality Strategies to ensure thermal comfort, indoor air quality management, low-emitting materials, and acoustic comfort. • Sustainable materials and construction practices Specification of materials with EPDs, HPDs, and third-party certifications; construction plans, and waste diversion targets during fit-out works.



BOX 5: LEED BD+C – Whole-Building Design & Construction

LEED BD+C (*Building Design and Construction*) is designed for new constructions and major renovations.

LEED BD+C provides a specialized framework to guide the sustainable design and construction

across the **full building lifecycle**, targeting new buildings and major renovations that involve structural, envelope, and system-level interventions.

Whereas for most large renovations the ID+C is the reference for Kering as the tenant, BD+C is typically the one pursued by landlords, and must be considered when discussing new acquisitions. Within Kering boundaries, LEED BD+C shall be pursued when the Kering's project involves renovating the whole building.

Why Kering Guidelines adopt LEED BD+C

Applicability	<ul style="list-style-type: none"> • New buildings and major renovations: • Facilities • Warehouses & Logistics Centers • Offices • Industrial Buildings
Focus	Sustainable design and delivery of new buildings and major renovations.
Essential elements	<ul style="list-style-type: none"> • Sustainable site and water strategies Includes site selection criteria, stormwater control, heat island mitigation, and indoor/outdoor water use reduction through lowflow systems and smart irrigation. • Whole-building energy and systems modelling Early-stage energy analysis, HVAC optimization, envelope detailing, and on-site renewables. • Commissioning and performance verification Requires fundamental and enhanced commissioning of mechanical systems and envelope, including measurement & verification plans and ongoing performance tracking. • Indoor environmental quality Emphasis on ventilation, daylight access, thermal comfort, low emitting materials, and acoustic design. • Material transparency and life-cycle performance Use of low-impact materials with EPDs, HPDs, regional sourcing, and construction waste diversion plans.



ADDITIONAL BEST PRACTICES

ALIGNMENT TO THE EU TAXONOMY ARTICLE 7.2

Alignment with the EU Taxonomy for renovations implies simultaneously fulfilling the following series of requirements. Fulfilling part of them will anyways improve the environmental performance of the site. As the most challenging requirements are on the energy performance of the site, and as this topic is mainly part of the design and construction works a full guidance for energy efficient design is provided later in the chapter.

Climate risk assessment

The project must undergo a climate risk assessment. Risks in the project location must be assessed, according to the local climate, the expected climate changes and the specific geological and hydraulic features of the site, among a series of possible chronic or acute situations related to temperature, wind, water and solid masses, as indicated in Appendix 1. This assessment must be done either by Kering or the Landlord. The assessment shall be aligned with the following international standards:

- **ISO 14090:2019**, Adaptation to climate change – Principles, requirements and guidelines
- **ISO 14091:2021**, Adaptation to climate change – Guidelines on vulnerability, impacts and risk assessment

Climate Vulnerability assessment

The project must undergo an assessment of **Climatic Vulnerability** for Identified Risks based on the lifespan of the activity:

For activities with a lifespan under 10 years:

Use climate projections at the **smallest appropriate scale**.

For all other activities / For activities with a lifespan of 10 years or more

- Use high-resolution, state-of-the-art climate projections.
- Include projections for at least **10 to 30 years**.
- Consider **IPCC** (Intergovernmental Panel on Climate Change) pathways: **RCP2.6, RCP4.5, RCP6.0, and RCP8.5**.

The climate projections and assessment of impacts are based on **best practice** and **available guidance**.

The methodologies in line with:

- The latest IPCC reports (AR6 Synthesis Report: Climate Change 2023).
- Scientific peer-reviewed publications.
- Open-source models (e.g., Copernicus) or paid models.

Solutions to reduce climate risk

If risks emerge, an assessment of **Adaptation Solutions** to **reduce** the identified physical **climate risk** assessment. Adaptation strategies should be tailored based on the type of physical asset:

Existing physical assets: Define adaptation solutions within an **adaptation plan** for **up to five years**.

New constructed physical assets:

- Integrate adaptation solutions **during design and construction**.
- Implement solutions **before operations begin**.

For the implementation of these strategies:

- Ensure adaptation solutions **do not harm other adaptation efforts, resilience levels, or natural/cultural/economical assets**.
- Align with local, sectoral, regional, or national adaptation **plans and strategies**.
- **Prioritize nature-based or green infrastructure** solutions when possible.

Primary Energy Demand

Choose the easiest between:

- Option 1 (for major renovations only): The **building renovation** complies with the requirements for **Major renovations** set in the **national and regional building regulations**.
- Option 2: Primary energy demand
The **renovation** leads to a **reduction of primary energy demand (PED)** of at least **30%**.
This reduction can be achieved through a series of measures within a **maximum of 3 years** and must **not take into**



account the contribution to the reduction of the net primary energy demand through **renewable energy sources**.

Water efficiency

Water consumption must be certified by product **data sheets**, a building certification or an existing product label in the Union. The **maximum water consumption** allowed is:

- **Wash hand basin taps and kitchen taps** – flow 6 l/min.;
- **Showers** – flow 8l/min.;
- **Toilets**, including those coupled with a drainage system, pots and cisterns - 6l full flush volume and 3.5l average flush volume;
- **Urinals** - 2l/ bowl/hour. **Flushing urinals** - full flush volume 1l.

Water Heaters

Do not install any water heater for tap water in **tropical climates** and switch them off in the **hot season in temperate climates**. If there is a shower inside the building, install **a meter on the water heater** and put it operating time and set temperature **under control of the BMS**.

Construction and demolition waste management planning

Develop and implement a **waste management plan**:

At least **75%** (in weight terms) **of non-hazardous construction and demolition waste** (excluding soil and rocks) shall be prepared for **reuse, recycling and other material recovery**.

Diverted materials must include at least **four material streams**;

Specify whether materials will be **separated or mixed** and describe the **diversion strategies** planned for the project;

Ensure **proper waste treatment** and describe where the material will be taken and how the recycling facility will treat it.

Provide a final report outlining all major waste streams generated, including disposal and diversion rates.

Design for flexibility

The building has been designed to be more **resource efficient, adaptable, flexible** and **dismantlable** to allow **reuse and recycling**, in compliance with the ISO 20887.

Use of dangerous chemicals

Do not use materials, products or components that contain substances of very high concern (SVHC) listed under REACH Article 59(10), unless their use is justified and documented.

Fundamental low-emitting materials

Building components and materials used in the construction that may come into contact with occupants emit less than:

0,06 mg of formaldehyde per m³ of material or component;

0,001mg VOC (categories 1A and 1B) per m³ of material or component.

The requirement applies to paints and varnishes, suspended ceilings, floor coverings, including related adhesives and sealants, interior insulation and treatments for interior surfaces, such as to treat moisture and mould.

Construction activity pollution prevention

Take measures to **reduce noise, dust and pollutant emissions** during construction or maintenance work.



GUIDELINE FOR LOW ENERGY BUILDINGS AND SITES

The following best practices are aimed at supporting Kering's project teams at achieving exemplary energy performance, thus easing the alignment with the EU Taxonomy requirements both for Renovations (Article 7.2) Real Estate (Article 7.7), as well as to maximize the LEED and other certifications' score on energy performance. Not all the indications have necessarily to be met in a project, but it is quite difficult to achieve alignment (or a high LEED score) if most of them aren't followed.

Dynamic energy simulation

Conduct a **dynamic energy simulation** in the preliminary design phase for an assessment of the total annual energy consumption of the building.

Define the **insulation, HVAC and lighting project based on the results** obtained and conduct the simulation again.

The simulation has to be compliant with **ASHRAE 90.1-2010 Appendix G**.

- Energy Simulation for LEED certification:
To calculate the reduction in energy consumption for LEED purposes, the **reference baseline** is developed according to the values in **Appendix G of ASHRAE 90.1-2010**.
- Energy Simulation for EU Taxonomy (Option 2 - Primary Energy Demand):
To calculate the reduction in energy consumption for **alignment with the EU taxonomy**, the reference baseline must be developed based on the **state of the project before the start of the work**.

Lighting – Interiors

Implement lighting systems with lighting efficiency greater than 65 lumens per watt (lm/W).

Comply with the following maximum lighting powers:

Space	Lighting powers (W/m ²)
Sales area (General lighting)	11
Sales area of clothing and cosmetics (Additional lighting)	8
Sales area of jewelry, crystal and china (Additional lighting)	17
Fitting room	6
Cash area	7
Office	7
Restrooms	6
Active storage	4
Stairs	7
TPantry	6
Meeting rooms	8
Canteen	8
Corridor	4
Technical room	6

Do not consider lighting equipment and applications if it is an addition to general lighting and is controlled by an independent control device.

Optimized light intensity

The **average indoor illuminance levels** in all areas of the building must comply with the following minimum values:

Space	Illuminance (lux)
Sales areas	300 lux
Cash desk	500 lux
Enclosed office	300 lux
Corridors and passage areas	100 lux

Optimize light intensity through a light simulation.



Lighting – Exteriors

If the site has external areas, use lighting systems with lighting efficiency greater than 65 lm/W.

Comply with the following maximum lighting levels:

Zone	Lighting zone 2 ² (W/m ²)	Lighting zone 3 (W/m ²)	Lighting zone 4 (W/m ²)
<i>Uncovered parking areas</i>			
Parking areas and drive	0.65	1.1	1.4
<i>Building grounds</i>			
Walkways 3m wide or greater / Plaza areas / Special feature areas	1.65	1.7	2.2
Stairways	10.8	10.8	10.8
Pedestrian tunnels	1.6	2.2	3.2
Landscaping	0.54	0.54	0.54
<i>Building entrances and exits</i>			
Main entries	66	98	98
Other doors	66	66	66
Entry canopies	2.7	4.3	4.3
<i>Nontradable surfaces</i>			
Building facades	1.1	1.6	2.2

Lighting – Monitoring and control

Keep the general lighting and additional lighting controls separate.

Adopt the following lighting control strategies:

- **Motion sensors** on the back of house with regulation of the turn-on time according to the use of space;
- **Motion sensors** for fitting rooms;

- **Night switching off** of all lights through watches dedicated to lighting management;
- Possibility of **turning off the equipment** for the operational phase (sales areas and visible storefronts may be exempt);
- **Lighting control** of the sales area with at least **three levels** (on, off, midlevel). The average level is between **30%** and **70%** of the maximum lighting level;
- Management of all luminaires in the building by **BMS** or **LED drivers and dimmers with sensors**;
- Provide individual **manual lighting controls** for at least **75% of individual occupant spaces** in offices and administrative areas.

Cooling & Heating - Cooling production

Install, in order of preference, one of the following systems:

- **Geothermal** or **hydrothermal** (not using potable water) heat pump with **COP_R ≥ 5** water-to-water (compliance with AHRI 1301 or EN 14511);
- **District cooling** system;
- **Water chiller** with evaporative tower on the roof and with **COP_R ≥ 4.7** electricity-to-water (compliance with AHRI 550/590 or EN 14511 and 14825 European standard);
- **Reversible air/water heat pump system** with **COP_R ≥ 3** electricity-to-water (compliance with AHRI 340/360 or EN 14511 and 14825 European standard);
- **Water chiller** with dry cooling system on the roof and with **COP_R ≥ 4.7** electricity-to-water (compliance with conditions of AHRI 550/590 or EN 14511 and 14825 European standard).

The installation of the following systems **must be avoided**:

- VRV/VRF/split Systems
- System using once-through potable water as heat sink.

² Lighting zone 2: Areas predominantly consisting of residential zoning, neighbourhood business districts, light industrial with limited nighttime use and residential mixed use areas;

Lighting zone 3: All other areas;

Lighting zone 4: High activity commercial districts in major metropolitan areas as designated by the local jurisdiction.



Cooling & Heating - Heat generation

Install, in order of preference, one of the following systems:

- **Geothermal** or **hydrothermal** (not using potable water) heat pump with **COP_R ≥ 5** water-to-water (compliance with AHRI 1301 or EN 14511);
- **District heating** system;
- **Reversible air/water heat pump system** with **COP_H ≥ 3.4** (compliance with AHRI 340/360 or EN 14511 and 14825 European standard);
- **Water chiller** with dry cooling system on the roof and with **COP_H ≥ 4.7** electricity-to-water (compliance with AHRI 550/590 or EN 14511 and 14825 European standard).
- **Biomass boiler** (only out of large metropolitan areas with pollution problems);

The installation of the following systems **must be avoided**:

- VRV- VRF Systems
- Fossil fuel boilers
- Electric resistance heaters (as the main heating system).

Cooling & Heating – Distribution

Thermal loss of cooling and heating water distribution (also for domestic hot water) **≤ 7W/Mk**. The distribution system must comply with design temperatures indicated in the following table:

Distribution	Season	Design Temperature
External	Winter	Heating design temperature from Appendix D – ASHRAE 90.1
External	Summer	Cooling design temperature from Appendix D – ASHRAE 90.1
Internal	Winter	20°C
Internal	Summer	26°C

Conduct leak tests on existing liquid refrigerant piping at static pressures of 30 bar with hydrogenated nitrogen. Any leak detected must be repaired.

Cooling & Heating – Terminals

The **minimum efficiency of fan coils** is at least one of the following:

Class A cooling (FCEER) and heating (FCCOP) based on Eurovent Certification Program;
FEF of 75 based on certified producer data.

Cooling & Heating - VRF/VRV/split systems

These systems should not be installed in new Kering buildings. If these systems must be present because of external constraints (e.g. the system is owned by the landlord), ensure that it complies with the following specifications.

Try to **avoid VRV, VRF and split systems**. If installed, these systems must have:

- Natural refrigerants if possible;
- Certified installation;
- For variable speed refrigerator: COP_H and COP_{R5} ≥ 3.6;
- For split systems: COP_H and COP_{R6} ≥ 3.1 electricity to air.

Cooling & Heating - Hot water system

The hot water system must have:

- **Insulated piping - thermal loss ≤ 7 W/Mk**; 30 degrees of difference between the outside and inside of the pipe;
- Thermostatic valve **limiting the tap temperature to 40 °C**;
- The heating system that, during the heating season, **heats sanitary water with a heat exchanger** in parallel to fan coils fed by the heating network;
- **CO2 heat pump boiler** instead of an electric boiler.

Cooling & Heating - Control and management

Temperature control is achieved through the following strategies:

- A remotely manageable system or **BMS**
- Intelligent algorithms assess **ideal thermal comfort** for customers and set temperature in sale areas
- Timers for each zone **switching heating and cooling off** out of opening hours



- Building entrance air curtain is controlled by a **movement sensor**
- **Irregularly occupied** back of house rooms have **no heating and cooling**, or have it controlled by presence sensors regulating temperature between a **stand-by temperature of 15°C** or less in the heating season to 30° C or more in the cooling season.
- **Temperature measurement** in each zone

Ventilation - General system

Install mechanical ventilation system to ensure **mechanical ventilation** in all **regularly occupied space**. The minimum outdoor air intake flow should be compliance with the most recommended standards below or a local equivalent, whichever is more stringent. The most recommended standard is the ASHRAE STANDARD 62.1-2016, Sections 4-7, Ventilation for Acceptable Indoor Air Quality;

If mechanical ventilation is not possible in **historic buildings**, then the spaces must be **naturally ventilated**. In case of natural ventilation, each thermal zone must be equipped with **CO₂ monitors**. These devices must have the following characteristics:

Height from the floor between 90cm and 180cm;

Equipped with an **acoustic** or **visual indicator** or **alerting** the building automation system if the measured **CO₂ concentration exceeds** the setpoint by **more than 10%**.

Ventilation - Energy efficient system

Implement a **bypassable heat recovery system** pre-heating/cooling air, with a **minimum recovery** rate of **75%**. All supply and return ducts installed as part of a cooling or heating air distribution system shall be thermally insulated.

Ventilation - Airtight system

All transverse and longitudinal **junctions are sealed** with joint sealants (such as joint compounds and adhesive tapes). Seals must be pre-integrated to duct when possible.

Ventilation – Control

The **ventilation system** shall:

- Be equipped by a system able to dynamically **reach set-point temperatures** at the site opening just in time;
- Be equipped with **VSD fans**;
- Controlled (directly or via BMS) by a sensor that **monitors** the concentrations of **CO₂, humidity and VOC** in the indoor air.

Moreover, depending on whether the system has variable-volume or constant-volume, provide:

- Option 1 - variable-volume systems
Provide **outdoor air monitors** for all mechanical ventilation systems with **outdoor air intake flow greater than 472 L/s**. The monitoring device must be capable of measuring the design minimum outdoor air intake flow with an accuracy of +/-10%. An alarm must indicate when the outdoor airflow value varies by **15% or more from the setpoint**.
- Option 2 - constant-volume systems
Alternatively, for **constant-volume systems** that do not employ demand control ventilation, provide an indicator capable of confirming the **intake damper is open** to the position needed to **maintain the design minimum outdoor airflow**.

Metering & Management - Energy metering

Install at least **1 smart meter per energy type** and measure the consumption for any type of use, under control by Kering, that **exceeds 10% of the total energy consumption**. Monitoring should take place every 30 minutes or less and separately plan by plan. The types of use that can be monitored are:

- General;
- Lighting;
- Cooling;
- Heating;
- Ventilation;
- Plugs and loads;
- Any other end use exceeding 10% of the expected project energy consumption.

The metered **energy data are sent and collected** to an electronic platform accessible onsite and offsite.



Metering & Management - Air quality

Install at least one **intelligent sensor for monitoring PM10, PM2.5, VOC, CO₂, relative humidity and temperature**. The monitors must be installed in the following ways:

- On a vertical wall
- $0,9 < H$ from the ground $< 1,8m$;
- Distance from doors, windows, air inlets/outlets, air purifiers or other potential influences (e.g. humidifiers, cleaning products, printers and copiers) $\geq 1m$;
- Distance sampling points from external doors $\geq 5m$ (if possible);
- Distance from direct sunlight, mechanical system power sockets, fans, heaters or any other significant source of heat or cold $\geq 1m$ (only for

temperature and relative humidity monitors).

Install a **thermometer** that measures the **outside temperature**, unless the local value can be detected by a web service. Install an EMS/BMS system with **alarm system** if the setpoint is **exceeded** by more than **10% of the particulate matter concentration**.

Metering & Management - Building Management System

Install a **BMS** with the following characteristics:

- **Web-based** or **web-connected**, allowing better management of Kering sites;
- **Open**, allowing the connection of meters, sensors and modules from any supplier.

Components	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7
Roofs (for the sole ceiling surface towards external spaces)	0.360	0.273	0.273	0.273	0.273	0.273	0.273
Walls (for the sole walls' surface towards external spaces)	1.153	0.3	0.25	0.21	0.18	0.16	0.14
Floors (for the sole floor surface towards the ground or unheated spaces)	0.73	0.24	0.24	0.2	0.17	0.15	0.15
Windows	3.41	2.13	1.85	1.56	1.56	1.56	1.28

Exhibit 2: reference transmittance values, in W/m^2K , by Ashrae Climate zone.

Building envelope - Insulation

The average **thermal transmittance** of the components of the site should be below the thresholds indicated at Exhibit 2 (in W/m^2K), depending on the ASHRAE climate zone³.

Where the roof, walls, floors or windows face an unheated internal volume of the building the reference maximum transmittance value is the double of what is written in the table.

To achieve these values for opaque surfaces, ensure that along the relevant opaque envelope surfaces a layer of some centimeters of insulating material (natural material, synthetic foam or mineral wool with barrier to humidity diffusion) is laid along the surface, minimizing thermal bridges and avoiding them everywhere possible.

To achieve these values for transparent surfaces, consider the use of double- or triple-glazed windows, with low thermal conductivity gas within the glasses, as well as

selective glasses. For larger showcase windows, consider double glazing or double windows.

Building envelope - Humidity

Verify if the building has rising damp issue. If so, walls and floors of basement and underground floors, as well as ground floors up to 1 meter above ground level, must be provided with a continuous moisture barrier.

External surfaces – passive and green design

Ensure, within the project boundaries, to adopt all the possible passive and green (vegetable) solutions possible.

Passive solutions include:

- Avoidance of skylights

³ The ASHRAE Climate zone for the project can be easily retrieved by your MEP engineer.



- Distribution of windows (where feasible) preferably on the south-facing facades in the Northern hemisphere, and on the north-facing in the Southern one.
- General avoidance of fully glazed facades, especially on East- and West-facing facades.
- Use of external, possibly vegetal (see next paragraph), shading structures to prevent direct sunlight entering the building in the hottest season, favoring the fixed ones to the movable ones where possible.
- Favoring building shapes that minimize the ratio between external building envelope surface and the internal ones
- Avoiding steel or reinforced concrete elements passing through the building's insulating envelope.
- Using electrochromic glasses to minimize direct solar radiation penetration into the buildings, especially in East and West-facing facades.

Green solutions suggested are:

- Where the site has external areas, keep them as green as possible, favoring tree cover over bushes, bushes over meadow and meadow over paved surface to the maximum possible extent, compatibly with the external area use.
- If external areas are available, plantation of fast-growth and slow-growth trees to screen sunlight on facades.
- If possible, consider planting climbing plants to cover facades, or to cover

dedicated frameworks along the facades.

- If possible, without a dedicated need of reinforcement of the bearing structures of the building, consider green roofs.
- Always use local plants and avoid allochthonous species.

These suggestions are related mostly to headquarters and other full building projects, as very rarely they can be applied to retail projects.

External surfaces – design for solar energy use

For projects where roofs, facades and/or parking lots

- Ensure that terraces of roofs of pertinence of the rented space (if any) are green, used by solar photovoltaic systems and/or open for recreational needs for at least 90% of their surface not occupied by technical equipment and not overshadowed.
- Ensure that at least 60% of parking areas are covered with photovoltaic sheds, unless the area is overshadowed.
- Consider installing solar systems also on facades and on shading structures.

Energy equipment

Electric appliances shall be **Energy Star** labelled or comply with the highest-level Energy label where this is locally available.





CHAPTER 3

DESIGN AND CONSTRUCTION

SMALL SITES

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This chapter is focused on **Design and Construction of Small sites**. For small sites we consider spaces (stores, offices, warehouses) of small size, where activities related to taxonomy are not carried out and a certification may be to engaging, or even impossible, respect to the size of the project. Operationally, we define a site small if:

- the project budget is below one million euros.

Or

- the site does not manage HVAC systems (e.g. there may be local controls on temperature, but the main machines are owned and operated by someone else)

These guidelines apply for minor free standing stores openings and renovations, but also for several small sites including corner shops, shops in shop (SIS), pop-up stores and small offices or warehouses, where not all the topics mentioned may be relevant or managed by Kering. In case the topic is not relevant or not managed by Kering the requirement can be not considered. Brands are anyway encouraged in following the indications of the Design and Construction of Large Sites (Chapter 2) even for smaller projects, where feasible.

The Kering Guideline for Design and Construction of Small Sites aims at providing store planning and design and construction teams with some simple indications on how to realize sustainable projects where pursuing a certification is beyond the scale of the project.

In summary, the key principles that underpin the Kering Guideline for Sites' Operation and Maintenance are:

- Diligently develop and preserve project documentation with an eye on the future operation phase
- Designing the site with care to efficient lighting, electrical appliances and HVAC distribution, emission and control systems, as well as at energy metering
- Designing the site thinking of making waste collection and recycling easy for users
- Using healthy and sustainable materials.



MINIMUM REQUIREMENTS

DOCUMENTATION FOR FACILITY MANAGEMENT

- The design and construction documentations are kept, in electronic and in paper form, at the site premises and at the store planning/design and construction department.
- A simple user guide explains how to correctly use, clean and maintain all the systems and equipment is realized and provided to the site managers. It also indicates the specifications for cleaning and managing waste.
- An O&M manual is produced, indicating the list of all electric equipment and of lights installed in

the site. For each type of equipment, where relevant, the manual indicates:

- The cleaning mode and frequency
- The preventive and predictive maintenance operations to foresee.

The manual must be produced by the designers of the site in case of new realization or refurbishment of a site by requiring it contractually.

ADDITIONAL BEST PRACTICES

ENERGY

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Lighting

Comply with the following maximum lighting powers:

- Sales area, general lighting: 11 W/ m²
- Sales area, additional lighting: 28 W/ m²
- Office space: 7 W/ m²
- Restrooms: 6 W/ m²
- Storage: 4 W/ m²
- Stairs: 7 W/ m²

General lighting in the main areas is :

- Dimmerable
- Controlled by a remotely and locally manageable scheduler/timer/BMS

For the following areas, lights are equipped with motion sensors and timed with the following duration:

- ⁴ or minimum Fan Energy Index (FEI) ≥ 1.00 , based on manufacturer's certified data, as defined by the latest version of AMCA 205, in alignment with ASHRAE 90.1-2022 and AMCA 211.

High performance thermal regulation (if relevant)

If thermal regulation is designed and chosen by Kering:

- Office space: 15'
- Warehouse/storage: 15'
- Restrooms: 2'
- Storage: 5'
- Stairs: 1'

Cooling and Heating

High performance terminals

If the site foresees terminals are designed and chosen by Kering:

- The heating/cooling terminals complies with either Class A for cooling (FCEER) and heating (FCCOP) based on Eurovent Certification Program
- Temperature in the main areas is managed via a remotely and locally manageable system or BMS.
- Irregularly occupied back of house rooms (if any) have no heating and cooling, or have it controlled by presence sensors regulating temperature between a stand-by temperature of 15°C or less in the heating season to 30° C or more in the cooling season.

⁴ Class definitions are provided in Eurovent Certification Program. RS 6/C/002A-2017 v2 for Duct fan coil units and RS 6/C/002-2017 v2 for Non-duct fan coil units.



Electric Appliances

All appliances must be ENERGY STAR® labelled office equipment, electronics, and commercial food service equipment (e.g. refrigerators, computers, flat screens, and dishwashers), or must comply with the highest performance level of the applicable national or regional energy labelling scheme, where ENERGY STAR is not available.

Accepted national energy labelling schemes include:

- European Union: EU Energy Label (Classes A+, A++, A+++)
- United States and Canada: ENERGY STAR®
- Japan: >100% of Top Runner benchmark

- China: China Energy Label (CEL) – Grade 1
- South Korea: Korean Energy Efficiency Label – Grade 1
- Singapore: Mandatory Energy Label – 4 or 5 ticks
- Gulf Countries: Local Energy Efficiency Labels with a minimum of 5 or 6 stars

Metering

- One smart meter must be installed to measure the total electricity consumption of the site. The smart meter must be connectable to a web/cloud-based data collection and analysis software via WiFi or SIM card, recording one data point every 15 minutes.

WASTE MANAGEMENT DESIGN

Design for optimal waste collection

Unless waste is completely managed by the landlord, the site design must foresee sufficient space for separate collection paper, plastics and for at least other 3 waste fractions. The following Box 6 below provides indications about the optimal planning of waste fractions.

Design for optimal waste collection

If present, foresee in the back of house/technical room some space to separately collect cartons, hangers and re-usable polybags for B2B transfers.

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Box 6: Optimal planning of waste collection

Ideally, no matter how the landlord is currently collecting waste, a site designer should foresee collecting waste in the following way. Site managers will then use only part of these fractions, according to the landlord's or local waste collection system indications. Consider only what is relevant for the Site (most of the small sites do not have most of the below options, but some large SIS or offices in malls have all of them):

- Sales area – or close to it: paper, plastics and residual fraction
- Kitchen/break area: paper, packaging, organic, glass and residual fraction
- Printer area: paper, printer cartridges, batteries and residual fraction
- Bathrooms and toilets: paper and residual fraction
- Storage area: paper, paperboard, plastic films and residual fraction

Bins and color coding: The type of waste accepted in each bin is clearly indicated on the bin. Each waste stream is identified by the color of the bin (or its lid), which, where possible, matches the local color scheme for selective waste collection (e.g., in France: yellow for paper and packaging, white for glass, brown for food waste; in Milan: green for glass, yellow for metal and plastic packaging, brown for food waste, white for paper and cardboard).



MATERIALS

Low emissions materials

Exhibit 3 indicates certifications that are accepted (any of the listed ones) to warrant that VOC and formaldehyde emission levels are compliant with the following requirements:

Finishing materials⁵

Finishing materials shall respect the following requirements:

- VOC emissions shall be less than 0,001mg / m³

Product Type	Approved Alternative VOC Scheme
Interior paints and coatings*	<ul style="list-style-type: none"> - UL GREENGUARD Gold (UL 2818, 2022) - Indoor Air Comfort Gold® (v9.0, 2023) - French VOC emissions labelling (2022 version)
Wood-based products	<ul style="list-style-type: none"> - Indoor Air Comfort® (2021 version) - Indoor Air Comfort Gold® (v9.0, 2023) - Blue Angel – RAL UZ 76 (2011 version) - Byggsvarubedomningen (2011 version) - French VOC emissions labelling (2021 version) - Finnish Emission Classification of Building Materials (2017 version)
Flooring materials (including floor levelling compounds and resin flooring)	<ul style="list-style-type: none"> - Berkeley Analytical ClearChem (2015 version) - Danish Indoor Climate Label- Emissions Class 1 (2021 version) - Eco-INSTITUT-Label (2015 version) - EMICODE EC 1^{PLUS} (2015 version) - Indoor Air Comfort Gold® (2021 version) - FloorScore (2015 version) - French VOC emissions labelling (2022 version) - Finnish Emission Classification of Building Materials (2017 version) - Green Seal GS-11 (Edition 4.0) - SCS Indoor Advantage Gold (2015 version) - UL GREENGUARD Gold (2014 version)
Ceiling, wall and acoustic and thermal insulation materials	<ul style="list-style-type: none"> - Berkeley Analytical ClearChem (2015 version) - Danish Indoor Climate Label- Emissions Class 1 (2021 version) - Eco-INSTITUT-Label (2015 version) - EMICODE EC 1^{PLUS} (2015 version) - Indoor Air Comfort Gold® (2021 version) - French VOC emissions labelling (2022 version) - Finnish Emission Classification of Building Materials (2017 version) - Green Seal GS-11 (Edition 4.0) - SCS Indoor Advantage Gold (2015 version) - UL GREENGUARD Gold (2014 version)
Interior adhesives and sealants (including flooring adhesives)	<ul style="list-style-type: none"> - UL GREENGUARD Gold (2014 version) - Indoor Air Comfort Gold® (2021 version) - French VOC emissions labelling (2022 version)

Exhibit 3: certifications to warrant that materials comply with VOC and formaldehyde emissions limit (any of them per category is accepted)

⁵ Finishing materials are the materials applied to surfaces after the main structure is built, to enhance both the appearance and functionality of a building. They include a wide range of items like paint, flooring, and various decorative elements, as well as materials finishing the furniture's surface.



- Formaldehyde emissions shall be less than 10 µg/m³
- Materials likely to cause VOC and formaldehyde emissions include paints, glues, wood, synthetics, and textile lining materials for ceilings, walls and floors.

Paints

Paints shall not contain VOCs (detailed in the Safety Data Sheet [SDS]). Paints used shall be fungal and algal resistant in wet areas (e.g. bathrooms, kitchens and utility rooms).

Furniture

Furniture shall not emit VOCs or formaldehyde (i.e. metal elements) and/or have the Greenguard label).

Responsible wood and wood products

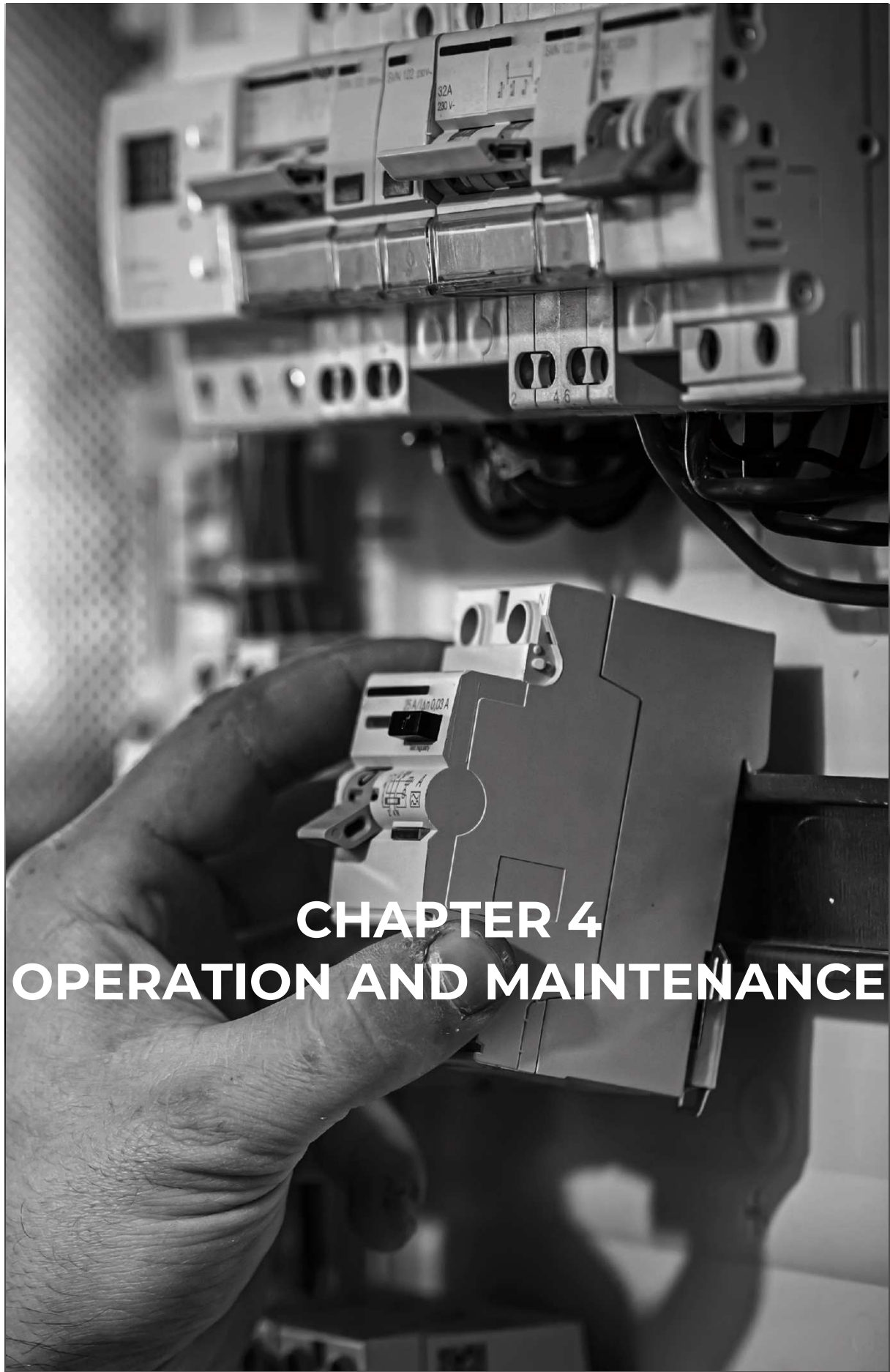
Wood and wood derived materials shall be either from certified recycled source or FSC certified or from recycled materials (compliance with “*Kering Standards for Sustainable Production*”).

Source products preferentially locally. In case wood derived products for a site in the European Union are imported from a non-EU Country, contact your legal department to ensure compliance with the EUDR (the European Deforestation Regulation).

Ban of PVC

All finishing materials and furniture must be PVC free.





CHAPTER 4 OPERATION AND MAINTENANCE



This chapter is focused on **Operation and Management**, the day-to-day operation of our sites. It largely focuses on **facility management** and it also includes some practical tips for **employees** and store managers, and guidance for **sustainability teams**.

At present, the impact of the EU taxonomy on the topics touched in this document is not significant. On the contrary, sustainability certification protocols for buildings like LEED propose their guidelines for O&M. The experience with LEED O&M at Kering is less mature than for new sites and renovations, but the use of this protocol is highly recommended in the largest sites, with significant consumptions of energy and water, and production of waste.

As for the previous chapters, for industrial sites the indications are limited to the tertiary activities and parts of the site (the building itself and the usual lighting, heating, ventilation and air conditioning, as well as storage, office and retail areas where present). Please refer to the “*Kering Standards for Sustainable Production*” for industrial activities.

The chapter is split in the following parts:

1. **Minimum Requirements:** overall minimum expectations for every site that must be already in place.
2. **Additional best practices:** they are divided into the following parts:
 - a. **Facility Management:** this part is related to schedules, organization and maintenance, and it is addressed to people and organizations dealing with facility management.
 - b. **Small permanent improvements:** this part is related to improvements that can be done in our sites through some little interventions along their operational life, and it is aimed to facility management people but also, where relevant, to people involved in site/store planning, design and construction.
 - c. **People engagement:** this part is related to the active engagement of people working and living the site in operating it properly and improving the way it performs from the environmental point of view.
 - d. **Performance monitoring:** this part focuses on monitoring the environmental KPIs and comparing one site against the other, with the objective of better individuating opportunities for improvement and diffusing best practices. It also covers activities that are managed by the Brand or the Kering Group. This part is aimed at the brand/corporate sustainability and/or facility management department at central level.

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The Kering Guideline for Operation and Maintenance of sites aims at improving day by day facility management, suggests small permanent improvements that can make sense along the life of the site, aims at engaging the staff in improving the environmental performance of the site and provides hints on getting metrics to assess the performance of the site.

In summary, the key principles that underpin the Kering Guideline for Sites' Operation and Maintenance are:

- Measuring environmental performance of the site through e-KPIs
- Aiming for continuous improvement
- Enhancing facility management through scrupulous documentation storage and update, smart maintenance practices, optimized equipment schedules, sustainable cleaning practices and waste management
- Improving the site environmental performance through small permanent interventions
- Engaging site's staff on action for sustainability
- Monitoring performance



MINIMUM REQUIREMENTS

Provide Environmental Key Performance Indicators (e-KPIs)

Kering is monitoring its environmental impact across all of its sites. For that reason, sites provide annually Kering with e-KPIs specific to their operations. This means working on measuring and monitoring the use of resources of their facility, including energy and water consumption, wastewater where relevant and waste production. These data are then collected within the Group's database used in annual reporting. Primary data include a list of 111 primary indicators, tailored on the type of site (retail, office, warehouse, industrial). From these data, intensity e-KPIs are derived, for a total of 34 indicators.

Improve the environmental performance of the facility

Sites, in coordination with their House strategies, are expected to build on the e-KPIs (as mentioned above) and implement systems to improve their environmental performance (e.g.: LCAs on specific products, continuous energy measuring in selected departments, etc.).

ADDITIONAL BEST PRACTICES

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FACILITY MANAGEMENT

Pursue LEED O&M Certification

Qualify and obtain the LEED O&M Certification for the site, targeting Gold or Platinum (see Box 7).

O&M Manuals and Site documentation

Mechanical Systems and Plumbing Documentation

O&M Manual

A site O&M Manual is available and accessible by facility management staff and O&M contractors. It shall be in paper and electronic format. One copy shall be stored at the facility management department and one copy shall be stored onsite in the back of house.

This manual covers all current and relevant equipment of the site, including:

- HVAC systems (production, distribution and emission)
- Water distribution systems
- BMS and/or timers and controls for mechanical and plumbing systems

All necessary information to ensure maintenance is included:

- List of all equipment
- Technical documentation
- Full operation instructions for each system: type and scheduling of intervention
- System warranties
- Table of nominal setpoints for each system
- Contractors' contact information, when available
- Building maintenance operators' contact information
- BMS/metering software publishers' contact information
- Login information of BMS/metering software
- Any other information needed for O&M

The manual must foresee the following preventive maintenance actions:

- Sensors: 6-monthly check and immediate intervention if the problem is evident



- Timers and BMS: 2-monthly check, check of proper change after transition between summer and winter time and vice versa (if relevant), check after every extraordinary opening or event, to ensure that the regular schedule is still programmed
- Annual check of efficiency of heating machines
- Annual check of efficiency of cooling machines
- Half-annual check and eventual recharge of refrigerant in all refrigerating machines not sealed at the factory (VRV, VRF, split systems). Maintenance by a supplier certified by the equipment supplier is a plus, if locally available.
- Half-annual checks of:
 - Temperature settings in each area: bring settings back to the default values or modify default values according to occupant complaints.
 - Clocks/BMS settings: bring settings back to the default values or modify default values according to occupant complaints.
- Maintenance of the airflow control system:
 - A procedure that includes visual checks and cleaning of inlet and outlet air vents, every year.
 - Indications about air filters change frequency
 - A procedure, that includes VOC checks every year. If necessary, a calibration of the sensors should be carried out.
 - A procedure, that includes a check of the flow modulation elements: controllers and variable speed drives or motorized registers if several premises are served by the same control unit.
 - In case of excessive dust loading velocity of inlet air vents and/or return air handling unit filter, require a duct control inspection using a camera or cleaning robot, if necessary, and cleaning by brushing, if needed.

Schemes of the systems

Schemes of the systems are stored at least in paper copy at the store and in electronic version at the store and at the Store Planning/construction department of the brand.

As-built drawings

As-built drawings of the systems are stored at least in paper copy at the store and in electronic version at the site and at the Store Planning/construction department of the brand.

Electric systems documentation

Electric systems O&M Manual

A site O&M Manual is available and accessible by facility management staff and O&M contractors. It shall be in paper and electronic format. One copy shall be stored at the facility management department, one at the store planning department and one onsite in the back of house.

This manual covers all current and relevant equipment of the site, including:

- Lighting systems
- External shading systems, if any
- BMS and/or timers and controls for electric systems

All necessary information to ensure maintenance is included:

- List of all equipment
- Technical documentation
- Full operation instructions for each system: type and scheduling of intervention
- System warranties
- Table of nominal setting points for each system, including balancing devices
- Contractors' contact information
- Building maintenance operators' contact information
- BMS/metering software publishers' contact information
- Login information of BMS/metering software
- Any other information needed for O&M

The O&M manual must **foresee at least the following preventive maintenance actions and checks:**

- Sensors: Check every 6 months and immediate intervention if the problem is evident.
- Timers and BMS: check every 2 months and after every extraordinary opening or event, to ensure that the regular schedule is still programmed.

Schemes of the systems

Schemes of the systems are stored at least in paper copy at the site and in electronic version



at the site and at the Store Planning/construction department of the brand.

As-built drawings

As-built drawings of the systems are stored at least in paper copy at the site and in electronic version at the site and at the Store Planning/construction department of the brand.

Architectural Design Drawings

Architectural drawings are available and accessible by facility management staff and O&M contractors. It shall be in paper and electronic format. One copy shall be stored at the facility management department and one copy shall be stored onsite.

User Guide

A site user guide is available and accessible by the site staff. This manual covers all current and relevant activities performed in the site, giving easy information on how to operate:

- Lighting systems
- BMS and/or timers
- External shading systems
- HVAC systems (production, distribution and emission)
- Water distribution systems
- Ventilation systems
- Waste collection
- Selective waste separation
- Cleaning procedures
- Cleaning products

In particular, the user guide includes:

- The indication of who makes the maintenance, and of who must be called in case of failure of any system.
- The daily and weekly schedule of systems, in particular HVAC and lighting

Enhanced Maintenance

Smart operation and maintenance contracts

Mechanical systems

The supplier is required:

- to follow strictly the O&M Manual after having reviewed it in the first 2 weeks from the beginning of their activity at in the site
- to share a calendar of proposed preventive maintenance activities at

the signature of the contract, based on the available documentation and review it after 4 weeks working at the site

- To compile regularly the O&M registry
- To provide Kering with the updated O&M manual (if needed) and registry at the end of the contract.

Electrical systems

The supplier is required:

- to follow strictly the O&M Manual after having reviewed it in the first 2 weeks from the beginning of their activity at in the site
- to share a calendar of proposed preventive maintenance activities at the signature of the contract, based on the available documentation and review it after 4 weeks working at the site
- To compile regularly the O&M registry
- To provide Kering with the updated O&M manual (if needed) and registry at the end of the contract.

Plumbing

The supplier is required:

- to follow strictly the O&M Manual after having reviewed it in the first 2 weeks from the beginning of their activity at in the site
- to share a calendar of proposed preventive maintenance activities at the signature of the contract, based on the available documentation and review it after 4 weeks working at the site
- To compile regularly the O&M registry
- To provide Kering with the updated O&M manual (if needed) and registry at the end of the contract. **The last payment of its services must be bound to the delivery of these documents.**

Masonry works

The contract must impose that any dust-producing activities:

- are carried out with tools having an aspiration system
- that the room(s) where these activities take place are physically sealed from the other
- that the ventilation systems are switched off in these areas during dust producing operations

An update of site layouts must be done at the end of the works.



Furniture works

The contract must impose that any dust-producing activities:

- are carried out with tools having an aspiration system
- that the room(s) where these activities take place are physically sealed from the other
- that the ventilation systems are switched off in these areas during dust producing operations

An update of the furniture inventory must be done at the end of the works.

Maintenance register

A maintenance register shall be available and accessible by facilities management staff and building management contractors.

This register includes the main information on maintenance operation:

- Type of intervention, control and incidence
- Name, company and role of the controller
- Date
- Equipment controlled and its location
- Description of the intervention
- Recording of key settings and measurements and comparison to nominal values
- Comments, technical difficulties and recommendations.

Detailed information about the intervention, if not elementary, shall be provided by the supplier through a specific maintenance sheet. The registry is updated at every intervention, whereas a maintenance sheet is prepared at every intervention where details additional to those indicated in the register are needed.

The empty O&M registry shall be prepared after site commissioning, retro-commissioning or audit, or directly by O&M suppliers at the beginning of their contract.

When a new O&M supplier substitutes the previous, the old registry must be handed over to them and stored by the Brand's staff.

Use of an O&M software

If the register relies on a software able to keep track of all maintenance operations and details, and to plan and remember preventive maintenance operations and deadlines, and if this is managed by the Brand and not by the supplier.

Ticketing system

If the register relies on a software able to keep trace of all maintenance operations deadline or request until their resolution.

Update of inventory and as built drawings

As built drawings and inventory of site's equipment are available in the back of house and at the brand headquarters; they are accessible by facility management staff and O&M contractors.

The documents must include a description of equipment, references, quantities of equipment installed, localization and suppliers' contacts, at a minimum, for the following elements:

- Furniture and layout
- Lighting equipment
- HVAC equipment
- Plumbing equipment

The inventories are part of the O&M Manuals.

The documents are updated every time there is a permanent change and checked (and if needed updated) every 2 years.

Keeping updated documentation of electrical systems.

Keeping updated documentation of mechanical systems and plumbing.

Keeping an updated inventory of accessories, white goods (if not included in the electrical equipment) and furniture.

Optimized equipment operation schedules

Optimize lighting time schedules

Ensure that lights are off when not needed. So clocks/BMS must ensure that:

- External main Lighting is off when external light is sufficient
- Interior lights are off out of operation time
- Aesthetic light and illumination visible from the exterior is off at least between 1 am and 6 am.

Optimize switch-on times for movement sensor driven lighting

Ensure that lighting systems equipped with presence/movement sensors) switch-on time is below:

- External passageways: 5'
- Gardens: 15'
- Parking lots: 5'
- Fitting rooms: 5'
- Offices: 15'
- Restrooms: 2'
- Active storage: 5'
- Stairs: 2'
- Pantries: 5'



- Meeting rooms: 15'
- Corridors: 2'
- Technical rooms: 15'
- Changing rooms: 15'

Optimize switch-on times for lighting time switches

Ensure switch-on time is below:

- External passageways: 5'
- Gardens: 15'
- Parking lots: 15'
- Restrooms: 2'
- Active storage: 15'
- Stairs: 5'
- Pantries: 5'
- Corridors: 5'
- Technical rooms: 15'
- Changing rooms: 15'

Exploit the full potential of lighting equipment

- If lighting can be dimmed, gradually reduce the intensity until it keeps being acceptable for every user
- If lights are equipped with dimmers and natural light sensors, ensure that lighting intensity is dimmed accordingly.
- Ensure that the lighting system is connected with the BMS if any, and that control and eventual metering is actually working.

Optimize switch-on times for heating and air conditioning

Ensure that heating and air conditioning are off, or (if the case) in antifreeze mode, from 30' before operation time end to 2 hours before operation time. Switch on of heating can be anticipated up to 4 hours after weekends and bank holidays and up to 6 hours after longer breaks.

Optimize switch-on times for ventilation

Ensure that ventilation is off out of operation time.

Exploit variable ventilation flow and air quality sensors if available

Where ventilation is equipped with variable ventilation flow, ensure that the system operates at the lowest possible flow rate, using higher ventilation levels only when necessary (e.g. crowding above the usual levels or other causes worsening air quality).

If the system can be driven by in-place air quality sensors, use them to drive air flow. Otherwise, define a schedule according to typical site crowding patterns (e.g. for an office, keep ventilation at low level between opening for cleaning and 10 am, raise it during the day,

bring it back to low level after 5 pm and witch it off between 10 pm and 7 am).

Optimize hot water boilers schedule

In temperate climates ensure that boilers are off in the summer season (April/May to October/November in the Northern hemisphere, depending on location

Also ensure that boilers are off during weekends, bank holidays and operation breaks.

Sustainable cleaning practices

Low-emitting materials - Cleaning products

Choose cleaning products without pictograms that identify the following risks: hazard, toxic, carcinogenic, mutagenic, or toxic for reproduction (carcinogenic, mutagenic, reprotoxic [CMR]), corrosive or harmful to the environment.

Products must not show any of the following symbols:



If locally available, choose cleaning products with eco-labels specific to the country concerned. For example: UL Ecologo, Green Seal, EPA Safer Choice Standard, EU Ecolabel and NF Environment.



Best practices for cleaning

The cleaning company is contractually committed to respect those ecological goals.



Responsible sourcing of materials

Paper

Paper for toilets, towels and cleaning use is FSC labelled and contains at least 60% recycled content.

Cleaning products and other supplies

Purchase and use at least 20% (by cost) of cleaning products and other supplies from ISO 14001 certified suppliers.

Sustainable waste management

Reduction and reuse strategy

Transportation packaging is reused whenever possible.

Disposable products are avoided, and each employee is provided with a reusable cup, a reusable bottle, and access to a water fountain. Beverage machines have a “no glass” option.

Damaged VMs and those still in good condition but without internal reuse opportunities are regularly collected and recorded. After alignment between the brand and the site, VMs may be redirected to the brand's warehouse for potential resale (e.g., F&F sales via the brand or Group), internal reuse (e.g., transfer to another site or future brand initiatives via 'Maison to Maison'), employee donations, or reuse through association donations.

Waste bin locations and indications

Major waste categories are identified, and areas are individuated for storage and recycling. Areas designed for storing waste fractions (recyclable and not) shall be defined at the design stage, following this organization:

- Sales area – or close to it: paper, plastics and residual fraction
- Kitchen/break area: paper, packaging, organic, glass and residual fraction
- Printer area: paper, printer cartridges, batteries and residual fraction
- Bathrooms and toilets: paper and residual fraction
- Storage area: paper, paperboard, plastic films and residual fraction

Bins and color coding: The type of waste accepted in each bin is clearly indicated on the bin. Each waste stream is identified by the color of the bin (or its lid), which, where possible, matches the local color scheme for selective waste collection (e.g., in France: yellow for paper and packaging, white for glass, brown for food waste; in Milan: green for glass, yellow for metal and plastic packaging,

brown for food waste, white for paper and cardboard).

Waste recycling

The following waste fractions are collected for recycling:

- Paper and paperboard, together or separately
- Packaging (plastic, metal) (separately or together)
- Glass
- Organic waste
- Batteries
- Printer cartridges

Please note that Visual Merchandising made of less than 80% wood or 80% metal are currently not recycled due to the lack of a mature recycling stream. Reuse solutions should be prioritized, as outlined in the Reduction and reuse strategy section

Waste production and recycling rate measurement

The contract with the company collecting waste at the site foresees the measurement of the weight by fraction of the collected garbage. Where this is not possible, the site performs annually a waste measurement campaign defining weights by fractions within one cleaning shift.



BOX 7: LEED O+M – Existing Building Operations

The **LEED O+M** (*Operations and Maintenance*) rating system targets existing buildings in active operation.

Designed for continuous improvement, LEED O+M provides a robust framework to monitor, manage, and optimize the **actual performance** of buildings over time. It supports both **single assets** and **portfolio-wide** sustainability goals.

Why Kering Guidelines adopt LEED O+M

Applicability	<p>Fully operational existing buildings:</p> <ul style="list-style-type: none"> • Retail • Offices • Facilities • Warehouses & Logistics Centers
Focus	<p>Optimization of ongoing performance through data, feedback, and operational strategies.</p>
Essential elements	<ul style="list-style-type: none"> • Data-driven performance monitoring Continuous tracking of energy, water, waste, transportation, and indoor air quality, enabling informed decision-making and transparency in operational efficiency. • Occupant experience and feedback Mandatory occupant comfort and satisfaction surveys, with integration of feedback into ongoing facility management. • Energy audits and retro-commissioning Periodic ASHRAE Level II energy audits and retro-commissioning of systems to identify inefficiencies, optimize system performance, and reduce operational costs. • Performance-based recertification LEED O+M supports triennial recertification based on real performance data, ensuring continuous alignment with ESG and sustainability targets.



SMALL PERMANENT IMPROVEMENTS

This part is related to improvements that can be done in our sites through some little interventions along their operational life, and is aimed to facility management people but also, where relevant, to people involved in site/store planning, design and construction. Unless evident and in particular for large sites, it is warmly suggested to execute an energy/waste/sustainability audit (see “Audits and Retro-Commissioning” in Part 4) of the site and of its operation to ensure that the actions planned are actually the ones with the best performance, and that the site doesn't offer any other interesting opportunity.

Clocks

If not already installed, install clocks to ensure that lighting, heating, ventilation, and air conditioning operate according to the site's actual use and are switched off or running at minimal levels outside operating hours.

Building Management System (BMS)

For sites over 300 m², consider installing a basic Building Management System if not already in place. A BMS should be able to control the site's main systems (lighting, heating, ventilation, air conditioning, and others if applicable) with much finer tuning than simple clocks and thermostats.

Smart energy and water metering

Consider installing a basic smart metering system for energy and, where relevant, water. The system should measure consumption at least hourly and report data to a web platform. Ideal metering system hardware should:

1. Be open, so the same hardware can be managed by different software and vice versa.
2. Store data locally for at least one year in case of connection loss.
3. Communicate via 3G/4G/5G (data SIM) or Wi-Fi.
4. Allow data frequency adjustment down to 5 minutes for detailed spot analyses.

Ideal metering system software should:

1. Be open, to manage different hardware systems interchangeably.
2. Be web-based, with both a desktop interface and a smartphone app.
3. Manage all measurement parameters from field meters.
4. Perform key energy analyses (carpet plots, peak and minimum consumption, energy balances, etc.).
5. Handle multiple energy sources (electricity, gas, etc.) for the same site.

Meters should ideally be installed on the main electricity and other energy or water supplies.

Whenever possible, metering should segregate consumption for lighting, heating, cooling, and ventilation, and by floor if relevant.

Air quality and temperature monitoring

Consider installing a system to monitor air quality (CO₂, humidity, VOCs) and ambient temperature in the site's main occupied spaces. This system can provide valuable data to optimize ventilation and temperature management.

Ideal monitoring systems should:

1. Have an onboard screen to display real-time data to employees and occupants.
2. Communicate via 3G/4G/5G (data SIM) or Wi-Fi.
3. Provide real-time data access to allow integration with HVAC operation.

Relamping

Consider relamping the site—or relevant areas—if it still uses fluorescent, halogen, incandescent, or low-efficiency LED lighting. Relamping should only be considered if the expected time before the next renovation or the end of the lease exceeds 3 years.

When relamping, if feasible, equip the new system with:

1. Presence sensors and timers
2. Natural light sensors

Water efficiency improvement

- Ensure all taps are equipped with faucet aerators to reduce actual water flow while maintaining comfort.
- When replacing faucets, select models with a maximum flow below 6 L/min.
- When replacing toilet flushes, select dual-flush systems below 2/6 L per flush.



Improvement of accessibility

It is recommended to assess and implement measures that improve the site's accessibility

and comfort for people with visual, auditory, motor, or cognitive disabilities.

PEOPLE ENGAGEMENT

Sustainable leadership

The site manager, or a designated store employee, is responsible for monitoring sustainability actions and engaging the entire staff. They are in charge of promoting the 10 Best practices for store operation among employees and communicating progress.

Sustainability trainings

The brand organizes training sessions to engage employees on sustainability topics—starting with aspects directly relevant to their work, then addressing site-specific practices, product-related impacts, and broader topics on how our actions, choices, and habits affect the planet.

Sustainability action plan

Each year, every store should define at least three environmental priorities, in line with the 10 Best practices for store operation and/or based on improvement opportunities identified during the most recent Standard audit.

These priorities must be clearly communicated to employees, with regular reminders shared. An official document is prepared and submitted to the sustainability lead, reporting on the targets and progress achieved.

Uniforms

Ensure that uniforms are designed, produced, used and disposed as follows:

- Choose the most sustainable materials: wool, cotton, polyester, possibly with a high recycled content, with virgin material from regenerative practices (cotton and wool) or bio-based (polyester), having certifications substantiating these claims.
- Plan smart, build to last: minimize the number of pieces, design for durability and reuse, extend life via repair.
- Reuse: Extend product life with anonymization, resale, and closed-loop systems to dismantle them when worn.

Printing paper and other supplies

Paper is used only when necessary, with a default policy to print in black and white and double-sided.

Eco-friendly products are prioritized for all consumable purchases.

Post occupancy evaluation

Feedback from store managers and employees on store performance is collected periodically to gather their insights on comfort levels and sustainability issues at the site..

Kering's 10 best practices for store operation

1. Involve all staff in sustainability initiatives
2. Measure and monitor electricity consumption
3. Align HVAC operation with store opening hours
4. Switch off all store lighting at night
5. Follow the waste hierarchy in all operations: avoid and reduce, reuse, recycle, recover and dispose
6. Separate waste at the store level
7. Work with a waste management company offering comprehensive recycling solutions.
8. Apply responsible procurement practices for paper, cleaning supplies, dry cleaning, food, and beverages. In the same way, manage uniforms sustainably from design to end-of-life.
9. Perform regular maintenance.
10. Communicate environmental requirements to maintenance and cleaning staff and provide training when necessary.



PERFORMANCE MONITORING

Calculation of real energy and water consumption KPIs

Calculation and basic analysis of general energy key performance indicators (KPIs)

In addition to the annual KPIs specified in the minimum requirements, the following KPIs are calculated for the store's electricity consumption and, where applicable, gas or other fuels used for store operations:

- Total kWh per month
- kWh per m² per month

These KPIs are then compared with the store's figures from the previous year and month, as well as with Kering averages and comparable brand stores. This analysis is performed on annual energy consumption—or preferably—monthly.

Calculation and basic analysis of general water KPIs

The following KPIs are calculated for the store's water consumption:

1. Total m³ per month
2. m³ of water per m² of surface area per month

These KPIs are then compared with the store's figures from the previous year and month, as well as with Kering averages and comparable brand stores. This analysis can be conducted annually—or preferably—monthly.

Audits and retro-commissioning

Commissioning—i.e., verifying that everything is built according to the project design and operates as intended—is a key step after store construction to ensure smooth management, operational and environmental efficiency, and high comfort levels for both occupants and customers.

Reviewing procedures, performance, and store operations, as well as identifying opportunities

to improve equipment schedules, energy and water consumption, and waste management, provides significant potential to reduce the store's environmental footprint and to develop a robust sustainability action plan.

Commissioning is also the most effective way to assess the store's design and its operational and management performance rating.

Periodic rechecks are expected:

- 1 year after construction/completion
- Every 3 years thereafter, unless a renovation or closure is planned within the next 3 years

The score for this action remains valid for 3 years after the first year. *(If the store is less than 1 year old, the topic is out of scope.)*

The audit covers the following topics:

- Energy audit
- Water audit, assessing metered consumption and the flow rates of taps and flushes
- Assessment of cleaning practices
- Assessment of waste collection practices

The auditor shall:

- Provide recommendations to improve the store's sustainability practices and reduce its footprint
- Produce scorecards and ratings reflecting the store's current status
- Indicate the achievable rating through simple operational improvements or interventions with a short payback (less than 3 years) and/or low implementation costs



APPENDIX

Appendix 1 – Climate risks to consider

Depending on the project location, the table below indicates all the risks to consider:

	Temperature-related	Wind-related	Water-related	Solid mass-related
Chronic	Changing temperature (air, freshwater, marine water)	Changing wind patterns	Changing precipitation patterns and types (rain, hail, snow/ice)	Coastal erosion
	Heat stress		Precipitation or hydrological variability	Soil degradation
	Temperature variability		Ocean acidification	Soil erosion
	Permafrost thawing		Saline intrusion	Solifluction
			Sea level rise	
			Water stress	
Acute	Heat wave	Cyclone, hurricane, typhoon	Drought	Avalanche
	Cold wave/frost	Storm (including blizzards, dust and sandstorms)	Heavy precipitation (rain, hail, snow/ice)	Landslide
	Wildfire	Tornado	Flood (coastal, fluvial, pluvial, ground water)	Subsidence
			Glacial lake outburst	

The assessment shall be aligned with the following international standards:

- **ISO 14090:2019**, Adaptation to climate change – Principles, requirements and guidelines
- **ISO 14091:2021**, Adaptation to climate change – Guidelines on vulnerability, impacts and risk assessment



GLOSSARY

Acronym	Full Term	Brief Description
AMCA	Air Movement and Control Association	Association that develops and certifies standards for air system components.
ASHRAE	American Society of Heating, Refrigerating and Air-Conditioning Engineers	Organization that develops standards for building systems and energy efficiency.
BACS	Building Automation and Control System	Integrated system for controlling HVAC, lighting, and other building operations.
BMS	Building Management System	A system for managing and automating building utilities like lighting, HVAC, and security.
CMR	Carcinogenic, Mutagenic, Reprotoxic	Hazard classification for harmful chemicals.
ENERGY STAR®	ENERGY STAR Program	International label for high-efficiency products and appliances.
EPC	Energy Performance Certificate	Document that rates the energy efficiency of a building.
EPD	Environmental Product Declaration	A third-party verified report detailing a product's environmental impact over its life cycle.
e-KPIs	Environmental Key Performance Indicators	Metrics used to track and assess environmental performance (e.g., energy, water).
EU	European Union	Political and economic union of 27 European countries.
EUDR	European Union Deforestation Regulation	Regulation to ensure products sold in the EU are not linked to deforestation.
EU Taxonomy	European Union Taxonomy	Classification system for sustainable economic activities in the EU.
FCEER / FCCOP	Fan Coil Energy Efficiency Ratio / Coefficient of Performance	Measures of efficiency for fan coil units in cooling (FCEER) and heating (FCCOP).
FEI	Fan Energy Index	Metric indicating energy efficiency of fan systems.
FSC	Forest Stewardship Council	Certification ensuring wood and paper products come from responsibly managed forests.
HPD	Health Product Declaration	A disclosure of a building product's contents and their health effects.



HVAC	Heating, Ventilation and Air Conditioning	Systems for heating, cooling, and air circulation in buildings.
ISO 14001	International Organization for Standardization – Environmental Management	Standard for effective environmental management systems.
LCA	Life Cycle Assessment	Analysis of the environmental impact of a product or system across its lifecycle.
LEED	Leadership in Energy and Environmental Design	International green building certification system.
LEED BD+C	Leadership in Energy and Environmental Design – Building Design and Construction	A green building certification for sustainable design and construction (or renovation) of the building's core and shell
LEED ID+C	Leadership in Energy and Environmental Design – Interior Design and Construction	A green building certification for sustainable design and construction of interior fit-outs.
LEED O+M	Leadership in Energy and Environmental Design – Operations and Maintenance	Certification for sustainable operations of existing buildings.
Life cycle GWP	Life Cycle Global Warming Potential	Total greenhouse gas emissions over the life cycle of a building.
NZEB	Nearly Zero-Energy Building	Building with very high energy performance and very low energy demand.
O&M Manual	Operation and Maintenance Manual	A manual outlining how to operate, clean, and maintain systems and equipment.
PED	Primary Energy Demand	Total energy input required to meet a building's energy needs, before conversion losses.
SIS	Shop in Shop	A retail space operated within another store, often as a branded section.
VM	Visual Merchandising	Furniture or display materials used for in-store branding and product presentation.
VOC	Volatile Organic Compounds	Harmful chemicals that easily evaporate at room temperature, affecting air quality.



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