

KERING CELEBRATES ITS 10TH ANNIVERSARY AND THE 60TH ANNIVERSARY OF THE GROUP'S FOUNDING

EDITORIAL



More than six decades ago, my father, François Pinault, embarked on his entrepreneurial adventure. Little did he imagine the extraordinary destiny that the company he had created would enjoy. The story I have the honor of furthering today is that of a company that has not only continued to grow, but also, and perhaps above all, to evolve, transform and reinvent itself; a company that has never been afraid to question its choices, or to change course to keep pace with the world and to open up new avenues without ever losing sight of its core values and convictions.

From its origins in wood trading, our business initially evolved into specialized distribution. We then made the strategic choice to focus on Luxury, an industry in full expansion and transformation at the time. In just a few years, Kering has become one of the leading players in this sector.

In sixty years, a Group was born. A Group, meaning above all a collective of people without whom this adventure would not have been possible. When, ten years ago, I decided to change our name from PPR to unite us under the banner of Kering, it was of this collective group that I was thinking. In Brittany, our family birthplace, «ker» means house, home; that which brings people together and protects them. And when you hear it, you hear «care», the Anglo-Saxon and ultimately international term for the care and attention we give to people and things, to the world around us.

With this new name, which echoes our roots, our history, and our values, we are expressing our determination to progress with vigor, while reaffirming the foundations of our identity. In this way, Kering is growing fast, but never loses sight of the historic view of those who built it. In this way, Kering never ceases to innovate, imagine, encourage boldness and the freedom to create and explore new territories, while remaining faithful to the heritage and memory that constitutes it and carries this dynamic.

Along the way, very quickly and very naturally, we decided to do everything in our power to ensure we make a positive and lasting impact on the environment and society; build on what we are and what we do, and take action to advance the world we share.

In this year of celebrating both the tenth anniversary of our new identity and sixty years of our entrepreneurial and familial history, we feel proud. Kering is solid, our growth potential still immense, and our commitments as tangible as ever.

This pride is a formidable driving force, one that encourages us. This double anniversary is, of course, an opportunity to recall the high points of a great French success story. But it also serves as a reminder that we must not rest on our laurels, and it is an invitation to challenge ourselves constantly.

There's no question of being nostalgic here. Everything that underpins this success is more alive than ever. It motivates our thinking and the impetus that drives us today to try always to imagine the next chapter, to never stop walking towards the horizon.

2023 thus invites us to look back at the road we have travelled and to look forward to what we want to build: a Luxury Group that is ever more creative and innovative, deeply rooted in its know-how and its roots, aware of its responsibilities and moving forward with lucidity; a Luxury Group that plays its leading role in the issues we are all facing today.

François-Henri Pinault



Identity

Territories

Impact

Identity

THE GENESIS OF A GLOBAL LUXURY GROUP

At the heart of Kering's identity, and the story that has been written over the past sixty years, is a foundation as solid as the granite of its origins: the spirit of enterprise and family values.

On this foundation, a Group was born and has grown to become a benchmark in its sector and one of the world's leading economic players. This rise is also the result of pioneering principles and commitments. The Houses that Kering has brought together under one roof are deeply linked to each other and to the Group by a vision of the company's role in the world, a certain idea of Luxury, a collective aspiration to imagine new frameworks, and a shared taste for exploring new territories.

THE ENTREPRENEURIAL SPIRIT

The entrepreneurial spirit, which combines a taste for effort with observation and risk-taking, runs through the entire history of Kering.

In 1962, François Pinault left a promising professional position to set up his own timber trading business. At the time, the powerful association of importers had a stranglehold on the market, and no one paid attention the arrival of this son-of-Breton-farmers who succeeded in putting an end to this domination. The self-taught young entrepreneur's spirit of conquest and daring was already at work.

In the early 1990s, François Pinault intuited the extraordinary potential of the retail sector and did not hesitate to redirect his business in that direction. In just a few years, the company, now called Pinault Printemps Redoute, experienced remarkable growth and became a sector champion.

From 2005 onward, the founder's son, François-Henri Pinault, driven by the same entrepreneurial spirit as his father, took the reins and gave a new, decisive inflection to the Group's strategy. Gradually, PPR turned its full attention to the luxury industry, becoming one of the world leaders in just a few years.

A FAMILY STORY

From father to son, the Pinaults embody the Group. Their vision is the foundation of the Group's strategic orientations, and the values that drive them the bedrock of its identity.

A COLLECTIVE OF EMBLEMATIC HOUSES

Kering, which now generates 100% of its sales in Luxury, is present in all the major businesses of the sector – from fashion and leather goods to jewelry, eyewear, and beauty - through Houses with a strong history, heritage, and vitality of which the Group is the guarantor. Gucci, Saint Laurent, Bottega Veneta, Balenciaga, Alexander McQueen, Brioni, Boucheron, Pomellato, DoDo, Qeelin, Ginori 1735, Kering Eyewear and Kering Beauté: these are the exceptional brands that Kering supports in deploying its singular style, creative power, and growth potential, providing logistical support and the strategic and ethical impetus that links each business and underpins the Group.

LAENNEC: A HEADQUARTERS THAT IS ALSO A MANIFESTO

In 2016, following extensive renovation work, Kering moved its headquarters to the historic former Laennec Hospital, 40 rue de Sèvres, in Paris. This building, a splendid expression of 17th century architecture and one of the heritage jewels of the French capital, has long been one of the most important places for caring for the sickest of patients.

The restoration of the location's listed or registered areas, in accordance with the French rules concerning art, has returned the ensemble to its full splendor and brought its soul back to life.

By converting a former hospital in one of Paris's historic districts into its home, Kering made a strong symbolic gesture. It is an assertion of the Group's French roots. In line with choosing the Breton etymology "ker", which means "home" for its name, Kering's choice for its Paris headquarters expresses its attachment to its heritage and a different, free form of luxury.

ANOTHER IDEA OF LUXURY

At the heart of the Group's culture, providing the link between the Houses and creating the drive and leitmotif of its initiatives, there is also the attention Kering pays to others. For Kering, this is a requirement, a given, and a guideline. Whether guaranteeing the well-being of its teams, addressing societal issues, combating violence against women, taking environmental action, or supporting animal welfare, Kering is committed to doing its part and acting responsibly. Perpetuating the idea of "care" that resonates in the Kering name is the common umbrella that Kering offers its Houses, the commitments it shares with them.

This approach has also long determined the Group's vision and pioneering commitment to sustainable and responsible luxury, capable of inspiring society and driving change.

Education, freedom of expression, respect for and defense of human rights, the power of creativity and art to bring people together... the Luxury that Kering offers has its eyes wide open to the world. While building its future, the Group also contributes to finding new ways of expressing the values of inclusion, diversity, and openness with which it is inextricably linked.

















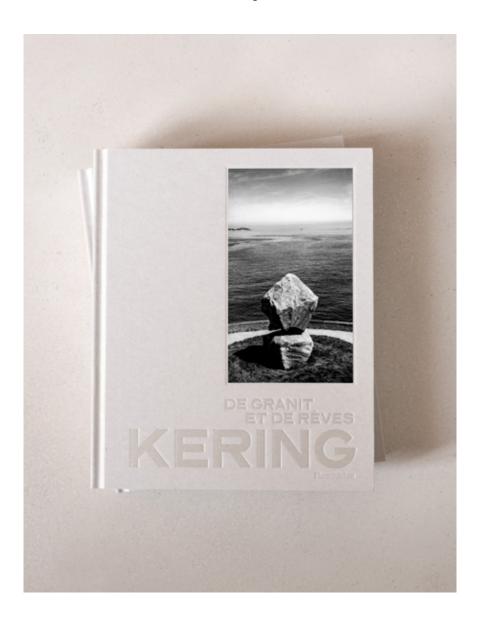


TWO ANNIVERSARIES AND A FEW INITIATIVES...

• Kering, of granite and dreams: a book retracing the human and entrepreneurial adventure of the Pinault family

This book traces the history of the Pinault family, inseparable from the extraordinary success it has built, from François Pinault's creation of the timber trading company in 1962 to today's global Luxury Group. Comments from personalities such as Anna Wintour, Jean-Jacques Aillagon, Mercedes Erra, Jane Fonda and Franz-Olivier Giesbert provide insights into this French success story. Illustrated with a wealth of archive photos and artistic inspiration, this handsome book is a gateway into the world of Kering, and a way for the Group to share with readers the values, convictions, and vision that have guided it every day since its founding.

Kering, de granit et de rêves, 320 pages, published by Flammarion. Available in bookshops in October 2023.





• Events in Paris and around the world

Kering began celebrating its anniversary with its employees during the summer of 2023, hosting festive events in Paris, Milan, New York, and Shanghai, which brought together those who make the Group's success possible on a daily basis.

Kering will also be organizing a number of events for friends and family at its Laennec headquarters in Paris in September. Personalities from the world of culture, fashion, and luxury, as well as Kering's partners and friends, will be invited to a special dinner, designed by Michelin-starred Breton chef Virginie Giboire.

• Kering from A to Z: a tour of Laennec during Heritage Days

This presentation, created for the general public, provides a fun way to delve into the world of Kering. An alphabetical tour through 26 words highlights the ideas, concepts and episodes that forge Kering's identity and express its uniqueness: A for "anniversary", B for "Brittany", C for "creativity"...

This itinerary takes place in the gardens and premises of 40, rue de Sèvres during the 2023 European Heritage Days, September 16 and 17.

As part of its on-going association with this annual event, the Pinault Collection, this year, will present the original exhibition *Inhabiting time*, featuring works by artists Rachel Whiteread, Nobuo Sekine, Kishio Suga and Lee Ufan.

Finally, the House of Balenciaga unveils *The Woman Behind The Dress*, offering the public an opportunity to delve into a rare section of Cristóbal Balenciaga's archives.



• A unique campaign

Kering has also designed an advertising campaign around its signature, Empowering Imagination, available from September 15 in digital, print, and billboard formats. It was conceived as a celebration of creativity, the formidable force for transformation and accomplishment that is one of the pillars of the identity of Kering and all the Group's Houses. In this manifesto, Kering expresses its vision of Luxury, a vision founded on freedom of creation and expression; the vision of a modern, dynamic, and audacious luxury that inspires and arouses emotion and dreams.



Creative ideas are not only for the few.

They may often start there,
but once they make someone feel something,
they're unstoppable.

They blaze through boundaries and ripple through time.

Bending rules, breaking conventions, pushing back doubt, and pulling us forwards.

They create bursts of self-expression, grant freedom, and bring change.

And once this happens the finest creativity no longer belongs to the few. It belongs to everyone.

Empowering Gungination



Gucci · Saint Laurent · Bottega Veneta · Balenciaga · Alexander McQueen · Brioni Boucheron · Pomellato · Dodo · Qeelin · Ginori 1735 Kering Eyewear · Kering Beauté



• The launch of an anniversary NFT

This project takes the form of a collaboration with artist Emily Yang (@pplpleasr). The work depicts an owl, the Kering emblem, in a landscape that follows the seasons and the light of the Arctic sky in real time, symbolizing the constant effort required to safeguard the environment.

This NFT was auctioned at the second *Caring for Women* dinner on September 12, 2023, organized by the Kering Foundation in New York to support the Malala Fund, the National Network to End Domestic Violence (NNEDV), and the New York City Alliance Against Sexual Assault – organizations committed to the fight against violence against women.



KERING HIGHLIGHTS IN A FEW FIGURES

KEY DATES

1962	•	In Rennes, François Pinault founds Établissements François Pinault, specializing in wood trading.
1994	•	Following the acquisition of Printemps and a stake in La Redoute, the Group becomes the retailer Pinault Printemps Redoute.
1999	•	The Group begins its shift towards the Luxury market by acquiring a stake in Gucci Group. In the same year, it acquires Yves Saint Laurent and Boucheron.
2001	•	The Group acquires Bottega Veneta, Balenciaga, and Alexander McQueen.
2005		Pinault Printemps Redoute becomes PPR. François-Henri Pinault becomes Chairman and CEO, transforming the company into a global Luxury Group by gradually selling off the group's other activities and acquiring luxury iconic brands.
2008	•	François-Henri Pinault creates the PPR Foundation (renamed the Kering Foundation in 2013), whose mission is to combat violence against women.
2012	•	The Group acquires Maison Brioni.
2013	•	PPR becomes Kering and adopts a new identity and tag line: Empowering Imagination. The Group acquires Qeelin and Pomellato.
2015	•	The Group creates Kering Eyewear.
2016	•	Kering moves its new headquarters to 40, rue de Sèvres, in the former Laennec hospital, after an ambitious renovation.
2018	•	Ke ring announces the distribution of 70% of its stake in Puma to shareholders, completing its transformation into a pure player in the Luxury Goods sector.
2023	•	The Group creates Kering Beauté, acquires Creed, and purchases shares in the Valentino House. 10 th anniversary of name change.



KERING'S PRESENCE AND WEIGHT IN FIGURES

1962

2022

600,000 francs

Revenue

6

Employees

1

Country

20.4 billion euros

Revenue

47,000

Employees

53

Countries

100%

Kering met the RE100 goal of 100% renewable electricity in 2022, in line with the organization's guidelines.

-50%

Since 2015, Kering has reduced its reported environmental footprint by 50% (EP&L intensity).

4 118

Number of social audits conducted on suppliers.

10 years

For the tenth consecutive year, Kering led industry rankings in the Textile, Apparel and Luxury Goods sector of the Dow Jones Sustainability Index (DJSI) at the World and European levels on the strength of its ESG performance.

A

With an "A" grade that recognizes its ambitious management of climate risk, Kering is the sole company from the luxury industry to appear in the CDP Climate A List ranking for the second consecutive year.



Territories

Whether symbolic, geographical, imaginary, or yet to be discovered, the territories that Kering invests in each bear witness in their own way to the singularity of a Group that has traced its path without being restrained by borders.

Throughout its history, Kering has reinvented itself by questioning conventions and anticipating new systems in order to seize or create opportunities for growth. Sixty years after its creation, the Group's energy, desire, and agility are intact. This is how Kering moves forward, and this is how it approaches the decades to come: as a fully-fledged player in the world's progress, in the preservation of its resources and in responsible progress.

NATURAL TERRITORY: CREATIVE LUXURY

By establishing itself among the world leaders in Luxury, Kering has also promoted a singular and strong vision of this field. For the Group, Luxury is inseparable from creative audacity. Its vocation is to open wide the windows of perception, to change the way we look at things, to unveil new perspectives and to create new worlds. It must stimulate the imagination, provoke reflection, and offer everyone the opportunity to assert his or her uniqueness. It's a natural, obvious territory for a Group whose links with creation are manifold.

A GLOBAL PRESENCE

While remaining faithful to its Breton roots, Kering was quick to look beyond its borders. Today, the Group's Houses have a global presence. In addition to its headquarters in Paris, the Group is represented by teams based in Milan, Florence, London, New York, Mexico City, Dubai, Shanghai, Tokyo, and Seoul...

France

Kering's homeland boasts several emblematic sites. In addition to the head office at 40 rue de Sèvres in Paris, which also houses part of the Balenciaga teams, there is the *hôtel particulier* occupied by the digital teams on rue Monsieur; the headquarters of Maison Saint Laurent in the former Penthemont Abbey on rue de Bellechasse; Boucheron's emblematic address in place Vendôme, Hôtel de Nocé, and two additional locations for Balenciaga: on rue Vaneau and avenue Georges V in the historic couture salons.

Beyond the French capital, in Angers, you'll find Saint Laurent's historic ready-to-wear workshop in Périers; in the Manche region the headquarters of its latest-generation tannery; Manufacture Kering Eyewear in Sucy-en-Brie, and UNT, (Usinage & Nouvelles Technologies) in Morbier, in the Bourgogne-Franche-Comté region, which manufactures high-precision metal mechanical components for the entire luxury eyewear sector.

Italy

Since acquiring a stake in Gucci in 1999, marking Kering's decisive move into the world of Luxury Goods, Italy has been the Group's second home.

The transalpine brands – Gucci, Bottega Veneta, Brioni, Pomellato, DoDo and Ginori 1735 – represent an essential part of the Group's portfolio.

In May 2023, Kering announced the opening of its new Italian headquarters in Milan occupying six floors of the Palazzo Pertusati in the prestigious Via Senato. This new Milan location in the quadrilatero della moda (*fashion district*), following the opening in 2021 of a 162,000 m² international logistics platform in Trecate (Piedmont region), manifests Kering's presence in Italy.

In this other land of luxury and elegance, there is also exceptional know-how, world-renowned sectors of excellence, notably for leatherwork and eyewear, and a constant source of inspiration and creativity as well as innovation, exemplified by the *Material Innovation Lab* mentioned below.

Asia

Kering has been present in China for almost fifty years, beginning with the opening of the first Gucci boutique in Hong Kong in 1974.

Kering's head office in China is in Shanghai, one of the cities with the highest purchasing power in the country. An economic and financial hub of international stature, Shanghai is driving China's modernization and the expansion and prosperity of its luxury goods industry.

In Japan, a market that is both historic and strategic for Kering, the head office sought a noteworthy address to reflect its identity. In October 2020, the Group chose an emblematic tower on Omotesando Avenue in Tokyo, the Japanese capital's main thoroughfare, where Gucci, Saint Laurent, Boucheron, and Balenciaga boutiques were already located.

The United States

For more than a decade, Kering's U.S. headquarters have been located on Bleecker Street, in the heart of Manhattan, in the legendary Greenwich Village of bohemian New York.

In 2019, Kering strengthened its logistics capabilities in the United States, opening a new platform for North America in Wayne, New Jersey. Covering an area of 71,500 m², the site boasts LEED (*Leadership in Energy and Environmental Design*) Gold certification. This ultra-modern complex is ideally suited to the high demand and continuing growth of the activities of the Group's Houses.



INNOVATION AS THE TERRITORY OF THE FUTURE

Innovation lies at the very heart of the Group's development strategy and is essential to its ongoing search for ways to limit the impact of its activities on nature. In Milan, the *Material Innovation Lab* (MIL), is dedicated to research into sustainable and responsible textile materials for the Group's Houses, while the *Sustainable Innovation Lab* (SIL), is dedicated to watchmaking and jewelry. In Prato, Tuscany, the *Test & Innovation Lab* (TIL), is a chemical, physical, and biological testing center for the Houses' activities.

Kering Ventures, which steers collaboration with start-ups, aims to develop new experiences and services to anticipate the needs and behaviors of future generations. For example, the Group has teamed up with VitroLabs, a young start-up working on the production of laboratory-grown leather; acquired shares in Vestiaire Collective, a leader in the second-hand purchase and resale of luxury goods; and invested in Cocoon, a London-based pioneer in handbag rental, and in NTWRK, an American live shopping platform.

Today, Kering is very attentive to disruptive technologies such as those linked to Web3 or the metaverse, and how these innovations can be applied in the Luxury Goods market.



Impact

CARE FOR THE PLANET AND PEOPLE

For Kering, the commitment to protecting the planet's resources is paramount; it is also inseparable from the attention given to people and living together. The Group has made social issues one of its major concerns. This means being mindful constantly of the quality of our interactions with customers, partners, suppliers, and employees. Kering also invests beyond its direct ecosystem, in and for the society at large. To ensure the greatest impact, Kering selects its partners and structures its actions according to priority territories.

SUSTAINABLE DEVELOPMENT

Kering's concern for nature, and the Group's concrete actions to preserve and repair living things, are also rooted in the Pinault family's attachment to its family cradle. In 1990, the famous Broceliande Forest in Brittany was ravaged by fire. It was François Pinault who took charge of its reforestation. This episode set the tone for Kering's future commitment to environmental protection.

In the early 2010s, the Group's commitment entered a new dimension of sustainability. This remains an integral part of its strategy to maintain its commitment to the development of responsible and sustainable Luxury. For Kering, the authentic integration of sustainable development into the company's dynamics is a competitive advantage and the best insurance for the future.

As early as 2012, the Group's Houses were invited to participate in a series of ambitious objectives in terms of environmental footprint, sourcing of raw materials, and respect for ethics. Three years later, Kering published its first Environmental Profit & Loss (EP&L) statement for 2013, a tool invented by the Group to review its activities on the planet along the entire value chain and upstream part of its business. The publicly shared methodology measured metrics including the impact of ${\rm CO_2}$ emissions, water consumption, pollution and waste production.

Thanks to this EP&L statement, Kering has been able to implement a concrete strategy that will enable it to exceed the reduction targets for its environmental footprint by 2022. The Group has also set itself a new target, aiming to reduce its greenhouse gas emissions by 40% in absolute terms by 2035, compared with its 2021 emissions. Kering now uses 100% renewable electricity and has achieved 95% traceability for its main raw materials.

In 2018, Kering published its Standards relating to raw materials and manufacturing processes. In 2019, the Group communicated new standards relating to additional items, including synthetic materials, silver, colored stones, and silk. Standards dedicated to animal welfare were also instituted at this time.

In 2020, Kering rolled out its strategy dedicated to biodiversity, with new objectives aimed at achieving a "net positive impact" on biodiversity by 2025. Among the means put in place was the launch of the Regenerative Fund for Nature, created in 2021 to support the fashion sector's transition to regenerative agriculture. In the same year, Kering became the first Luxury Group to cease the use of fur across all its brands.

In its 2022 *Global 100* ranking, the Canadian research organization *Corporate Knights*, committed to the sustainable economy, placed Kering among the top 100 exemplary groups in terms of sustainable development, ranking the Group first for the textile, apparel, and luxury goods sectors. In the same year, for the tenth consecutive year, the Group was ranked among the *Industry Leaders* of the Dow Jones Sustainability Index (DJSI), World & Europe, in the textile, apparel, and luxury goods sector.



THE HUMAN

Diversity awareness campaigns, an innovative and ambitious parental leave policy, dynamic career management and the preservation of work-life balance: Kering is multiplying its measures designed to provide its employees with the best possible working and personal development conditions.

With more than 47,000 employees worldwide, Kering is an example of the importance of diversity every day. Throughout the Group, diversity is considered a source of creativity and innovation. This conviction was formalized in the Diversity Charter signed in 2004, making Kering one of the pioneers in France in this field. This Charter commits all signatory companies to condemning discrimination in the workplace and to taking concrete action to foster diversity.

In January 2020, Kering instituted a universal *Baby Leave* of 14 weeks' paid leave at 100% for all new parents employed by the Group, regardless of their geographical location, personal or family situation, thus giving all employees the same rights and benefits and enabling the advancement of equality in a concrete way.

Kering is committed locally in the countries in which it operates. In France, for example, the Group signed a partnership charter in 2022 with the Ministry of Labor, Employment, and Integration to support the integration of young people, vulnerable people, and people with disabilities in the job market. Through this charter and the Group's long-standing commitments to integration, Kering promotes diversity and inclusion at every level of its organization.

Kering also gives its employees the opportunity to become involved in local communities during working hours through a volunteer program called *Giving Back*, which focuses on the well-being of communities located in proximity to the Group's activities.

• A pioneer in gender equality

Kering's commitment to women is at the heart of the Group's priorities. This is reflected in the promotion of female talent and the application of the principles of transparency and gender equality. In this respect, female representation within the Group is one of the largest of the CAC 40 companies: women represent 64% of the Group's total workforce and 58% of management. Women also make up 42% of the Group's Executive Committee and 46% of the Board of Directors.

In 2010, Kering became one of the first signatories of the Women's Empowerment Principles charter, drawn up by UN Women and the United Nations Global Compact. This charter commits signatories to promoting the advancement of women in business and society. In the same year, Kering launched the *Leadership et Mixité* program to promote women's access to the highest levels of management and, more generally, to spread a culture of equality within the Group. The Group also implements concrete measures such as mentoring programs to help women gain access to positions of responsibility through the sharing of experience, and participates in the international women's leadership program EVE.

In 2023, for the sixth consecutive year, Kering has been included in the Bloomberg Gender Equality Index. Kering is also ninth in the Refinitiv Diversity & Inclusion Index (Thomson Reuters) in 2021, which ranks 7000 companies worldwide.

• The Kering Foundation, committed to fighting violence against women: a global approach to combat a systemic phenomenon

Worldwide, 1 in 3 women is or will be a victim of violence in her lifetime. Since 2008, the Kering Foundation has been fighting against this violence, which affects all cultures and all social classes. The Foundation works hand-in-hand with a select number of local partners in six countries: China, France, Italy, Mexico, the United Kingdom, and the United States.

It supports local associations that offer comprehensive, tailored support to women victims of violence. The Foundation also works to change behaviors and mentalities, by engaging young people, especially boys, in the promotion of gender equality.

Finally, the Foundation aims to create a working environment in which female victims of violence feel safe, and to mobilize other companies on this subject. In 2018, in partnership with the Face Foundation, the Kering Foundation created "Une femme sur trois", the first European network of companies committed to combating violence against women.



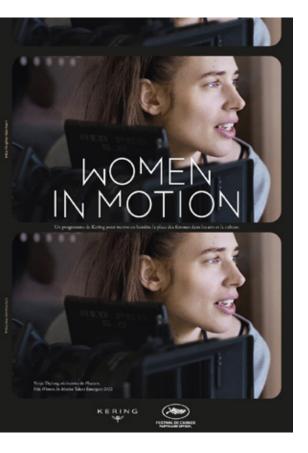
• Women In Motion, a program to highlight women in arts and culture

Even though creation is one of the most powerful vectors of change, inequalities in these fields are still glaring.

In 2015, Kering launched $Women\ In\ Motion$ as part of the Festival de Cannes, of which it is an official partner. The aim was to shine a spotlight on women in the film industry.

The program soon expanded to include photography, music, choreography, art, and design – all artistic fields where gender inequalities are still glaringly apparent. Through its Awards, *Women In Motion* recognizes inspirational figures and emerging female talent, and through its Talks and Podcasts, provides a forum for personalities to share their views on the representation of women, in all their diversity, within their profession, and the potential factors for change.

Finally, the *Women In Motion* program also supports projects in a variety of forms (studies and research, publications, enhancement of archives, etc.) which also help to transform representations.







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