

Kering

Société Anonyme

10 Avenue Hoche
75008 Paris

Report by one of the Statutory Auditors, appointed as independent third party, on the consolidated human resources, environmental and social information included in the management report

This is a free English translation of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended 2015

To the Shareholders,

In our capacity as Statutory Auditor of Kering, (the "Company"), appointed as independent third party and certified by COFRAC under number(s) 3-1048¹, we hereby report to you on the consolidated human resources, environmental and social information for the year ended December 31st, 2015 included in the management report within the reference document (hereinafter named "CSR Information"), pursuant to article L.225-102-1 of the French Commercial Code (*Code de commerce*).

Company's responsibility

The *Board of Directors* is responsible for preparing a company's management report including the CSR Information required by article R.225-105-1 of the French Commercial Code in accordance with the protocol used by the Company (hereinafter the "Guidelines"), summarised on Kering Internet website (www.kering.com).

Independence and quality control

Our independence is defined by regulatory texts, the French Code of ethics (*Code de déontologie*) of our profession and the requirements of article L.822-11 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

¹ whose scope is available at www.cofrac.fr

Statutory Auditor(s)'s responsibility

On the basis of our work, our responsibility is to:

- attest that the required CSR Information is included in the management report or, in the event of non-disclosure of a part or all of the CSR Information, that an explanation is provided in accordance with the third paragraph of article R.225-105 of the French Commercial Code (Attestation regarding the completeness of CSR Information);
- express a limited assurance conclusion that the CSR Information taken as a whole is, in all material respects, fairly presented in accordance with the Guidelines (Conclusion on the fairness of CSR Information).

Our work involved six persons and was conducted between October 2015 and March 2016 during a four week period. We were assisted in our work by our sustainability experts.

We performed our work in accordance with the French professional standards and with the order dated 13 May 2013 defining the conditions under which the independent third party performs its engagement and with ISAE 3000² concerning our conclusion on the fairness of CSR Information.

1. Attestation regarding the completeness of CSR Information

Nature and scope of our work

On the basis of interviews with the individuals in charge of the relevant departments, we obtained an understanding of the Company's sustainability strategy regarding human resources and environmental impacts of its activities and its social commitments and, where applicable, any actions or programmes arising from them.

We compared the CSR Information presented in the management report with the list provided in article R.225-105-1 of the French Commercial Code.

For any consolidated information that is not disclosed, we verified that explanations were provided in accordance with article R.225-105, paragraph 3 of the French Commercial Code.

We verified that the CSR Information covers the scope of consolidation, i.e., the Company, its subsidiaries as defined by article L.233-1 and the controlled entities as defined by article L.233-3 of the French Commercial Code within the limitations set out in the methodological note, presented on the Company's website.

Conclusion

Based on the work performed and given the limitations mentioned above, we attest that the required CSR Information has been disclosed in the management report.

² ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

2. Conclusion on the fairness of CSR Information

Nature and scope of our work

We conducted around ten interviews with the persons responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures, in order to:

- assess the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, and taking into account industry best practices where appropriate ;
- verify the implementation of data-collection, compilation, processing and control process to reach completeness and consistency of the CSR Information and obtain an understanding of the internal control and risk management procedures used to prepare the CSR Information.

We determined the nature and scope of our tests and procedures based on the nature and importance of the CSR Information with respect to the characteristics of the Company, the human resources and environmental challenges of its activities, its sustainability strategy and industry best practices.

Regarding the CSR Information that we considered to be the most important³:

- at parent entity level, we referred to documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), performed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report;
- at the level of a representative sample of entities selected by us⁴ on the basis of their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that procedures are properly, and we performed tests of details, using sampling techniques, in order to verify the calculations and reconcile the data with the supporting documents. The selected sample represents on average of 28% of headcount and between 25% and 82% of quantitative environmental data disclosed.

For the remaining consolidated CSR Information, we assessed its consistency based on our understanding of the company.

We also assessed the relevance of explanations provided for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

³ The concerned quantitative and qualitative information are listed in the annex of this report.

⁴ Puma Germany, Puma US, Puma Japan, Gucci Italy, Gucci US, Gucci Japan, LGI (for environmental indicators only), Kering Foundation, Sowind Group, Stella McCartney, Alexander McQueen.

Conclusion

Based on the work performed, no material misstatement has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Neuilly-sur-Seine, March 30th, 2016

One of the Statutory Auditors
Deloitte & Associés

Frédéric Moulin
Partner

Julien Rivals
Partner, Sustainability Services

Appendix: CSR information selected by the independent third party

- **Quantitative social information:** Workforce registered on 31 December (breakdown by sex, status, type of contract, geographical region), worked hours, hiring permanent/non-permanent; allocation of permanent departures by reason; number of training hours (excluding safety training); number of trained people; number of disabled workers; frequency rate and severity rate of work accidents; overall rate of absenteeism and illness; number of collective agreements concluded.

- **Qualitative Social information:** Promotion and respect of ethics; Development of skills and talents; Initiatives on diversity; Social dialogue initiatives.

- **Quantitative Environmental information:** Energy consumption and associated CO₂ emissions; renewable electricity proportion at Group level; Emissions associated with B to B", "B to C" and business travels; Tons of CO₂ offset; Paper consumption and percentage of paper from a sustainable source; Packaging consumption; industrial water consumption.

- **Qualitative Environmental information:** Governance & Organization on sustainability issues; implementation of the EP & L; ISR index and certifications.

- **Societal information:** Number of social audits conducted with the Group's suppliers; Partnerships with the Foundation and number of women involved and informed, Number of trained employees as part of Kering's Charter to prevent and combat domestic violence, PVC elimination initiatives; Initiatives for the elimination of hazardous chemicals; Gold and official diamonds responsible purchasing; Initiatives for responsible purchasing of leather; Initiatives for the purchase of precious skins and furs.