



K E R I N G

@KeringGroup

*The Environmental Profit & Loss*

*Michael Beutler*

*Director of Sustainability Operations*

*World Forum on Natural Capital*

*23 November, 2015*

# A world leader in luxury apparel and accessories

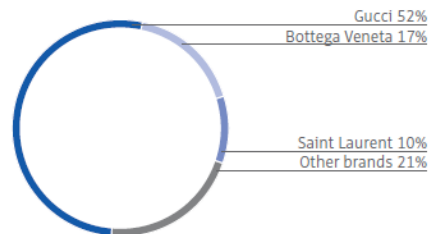
## Luxury

GUCCI · BOTTEGA VENETA · SAINT LAURENT  
 ALEXANDER McQUEEN · BALENCIAGA · BRIONI  
 CHRISTOPHER KANE · MCQ · STELLA McCARTNEY ·  
 BOUCHERON · DODO · GIRARD-PERREGAUX ·  
 JEANRICHARD · POMELLATO · ULYSSE NARDIN · QEELIN

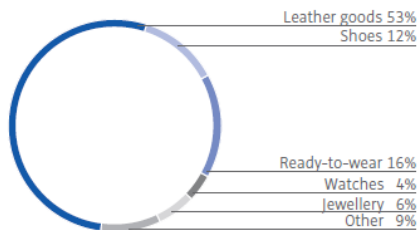
2011 key figures

€6,759 million  
 in revenue

Breakdown by brand



Breakdown by product category



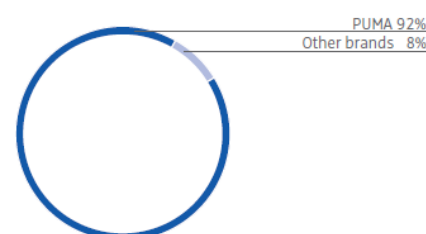
## Sport & Lifestyle

PUMA · VOLCOM  
 COBRA · ELECTRIC

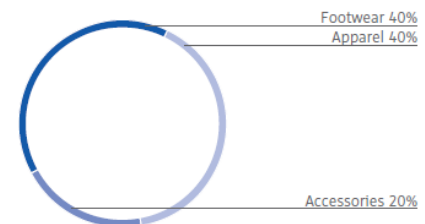
2011 key figures

€3,245 million  
 in revenue

Breakdown by brand



Breakdown by product category



## DISCLAIMER

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# What is an EP&L?

Environmental Footprint

X

Valuation

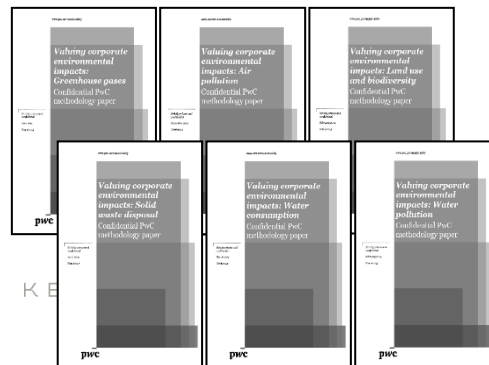
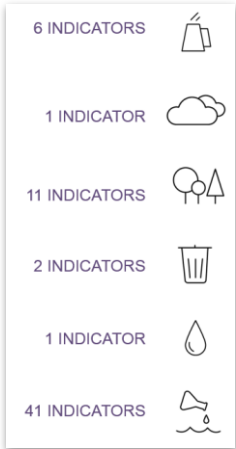
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EP&L

5000 SUPPLIERS  
578 PROCESSES  
107 MATERIALS  
126 COUNTRIES  
62 ENV. INDICATORS

14,190 COEFFICIENTS  
582 STUDIES  
VALUE IN EUROS BY  
IMPACT AND LOCATION

DESKTOP ANALYSIS  
BY TIER, PROCESS,  
MATERIAL, BUSINESS  
UNITS...



# Using the E P&L as a Business decision tool

Edit Workbook

4 Refresh Schedule Subscriptions Details

Sort by: Sheet (First-Last)

**1. OVERVIEW IMPACTS, BY TIER, IMPACT AND**

**2. BRAND IMPACTS BY LOCATION**

**3. BRAND IMPACTS BY LOCATION AND MATERIAL**

**4. BRAND IMPACTS BY LOCATION, MATERIAL AND**

**5. BRAND IMPACT BY ENVIRONMENTAL IMPACT**

**6. IMPACTS BY MATERIAL**

**7. MATERIAL IMPACTS BY BRAND**

**8. MATERIAL INTENSITY BY COUNTRY**

**9. PROCESS STEP BY MATERIAL**

**10. CORE AND PERIPHERY BY TIER AND BRAND**

**11. ENVIRONMENTAL INDICATOR BY BRAND**

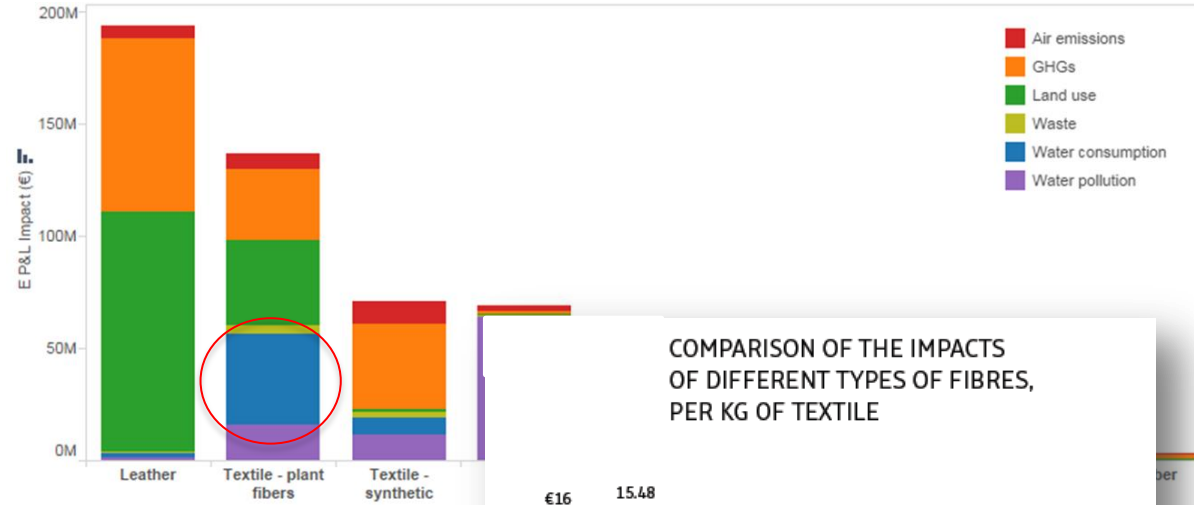
**12. MATERIAL GROUP BY TIER AND IMPACT**

**13. SPEND AND REVENUE INTENSITIES BY BRAND**

**14. MATERIAL INTENSITY COST**

# Using the E P&L as a Business decision tool

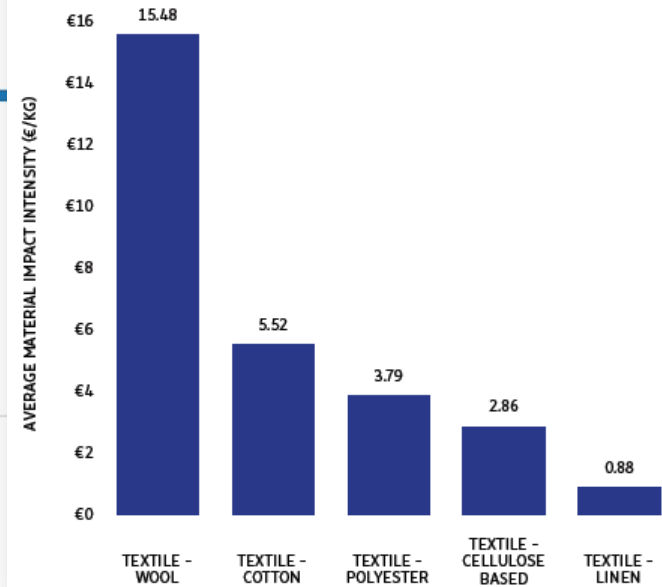
Raw Material Impacts by Type



Total material quantity



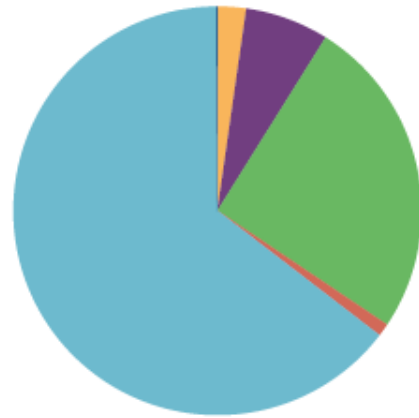
COMPARISON OF THE IMPACTS OF DIFFERENT TYPES OF FIBRES, PER KG OF TEXTILE



# Using the E P&L as a Business decision tool

VALUED E P&L IMPACTS PER 1 KG OF CONVENTIONAL AND ORGANIC COTTON FROM INDIA AND TURKEY

INDIA COTTON



INDIA ORGANIC COTTON



- AIR POLLUTION
- GREENHOUSE GAS EMISSIONS
- LAND USE
- WASTE
- WATER CONSUMPTION
- WATER POLLUTION





































TURKEY COTTON



TURKEY ORGANIC COTTON



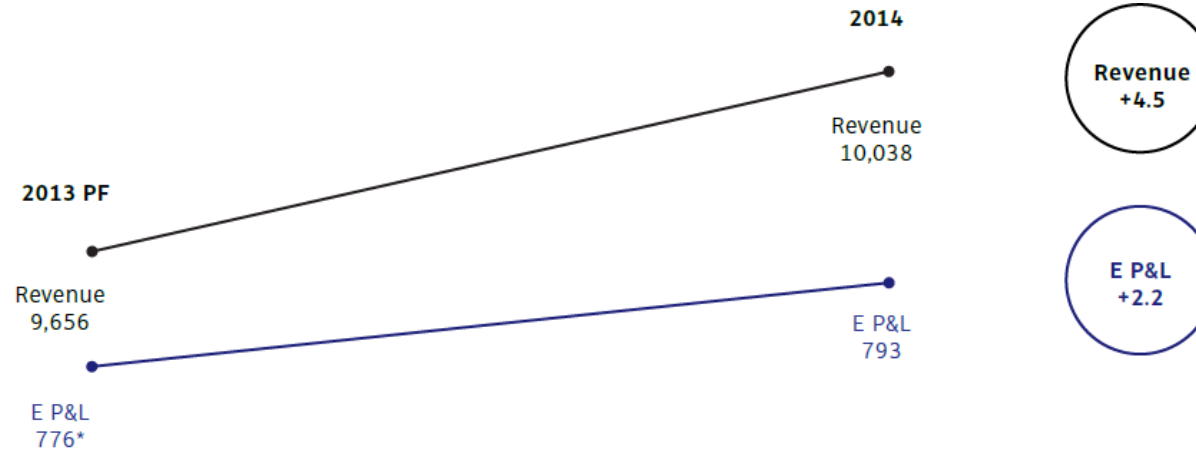
# KERING GROUP 2014 E P&L RESULTS

	TIER 0: STORES WAREHOUSE OFFICES	TIER 1: ASSEMBLY	TIER 2: MANUFACTURING	TIER 3: RAW MATERIAL PROCESSING	TIER 4: RAW MATERIAL PRODUCTION	TOTAL IN MILLIONS:
AIR POLLUTION 						9% €75.0
GREENHOUSE GAS EMISSIONS 						37% €288.9
LAND USE 						28% €223.7
WASTE 						5% €40.3
WATER CONSUMPTION 						10% €80.1
WATER POLLUTION 						11% €84.8
<b>TOTAL IN MILLIONS:</b>	<b>7%</b> €52.4	<b>14%</b> €111.8	<b>5%</b> €36.6	<b>25%</b> €202.3	<b>49%</b> €389.7	<b>100%</b> €792.8



KERING ENVIRONMENTAL PROFIT & LOSS ACCOUNT

# 2013 vs. 2014



	TIER 0: STORES WAREHOUSE OFFICES	TIER 1: ASSEMBLY	TIER 2: MANUFACTURING	TIER 3: RAW MATERIAL PROCESSING	TIER 4: RAW MATERIAL PRODUCTION	TOTAL IN MILLIONS
AIR POLLUTION 	●	●	●	●	●	8% €64.5
GREENHOUSE GAS EMISSIONS 	●	●	●	●	●	35% €272.2
LAND USE 	●	●	●	●	●	27% €209.9
WASTE 	●	●	●	●	●	5% €37.0
WATER CONSUMPTION 	●	●	●	●	●	11% €83.2
WATER POLLUTION 	●	●	●	●	●	14% €106.2
TOTAL:	7% €56.0	13% €100.0	4% €33.70	26% €197.6	50% €385.7	100% €773.0

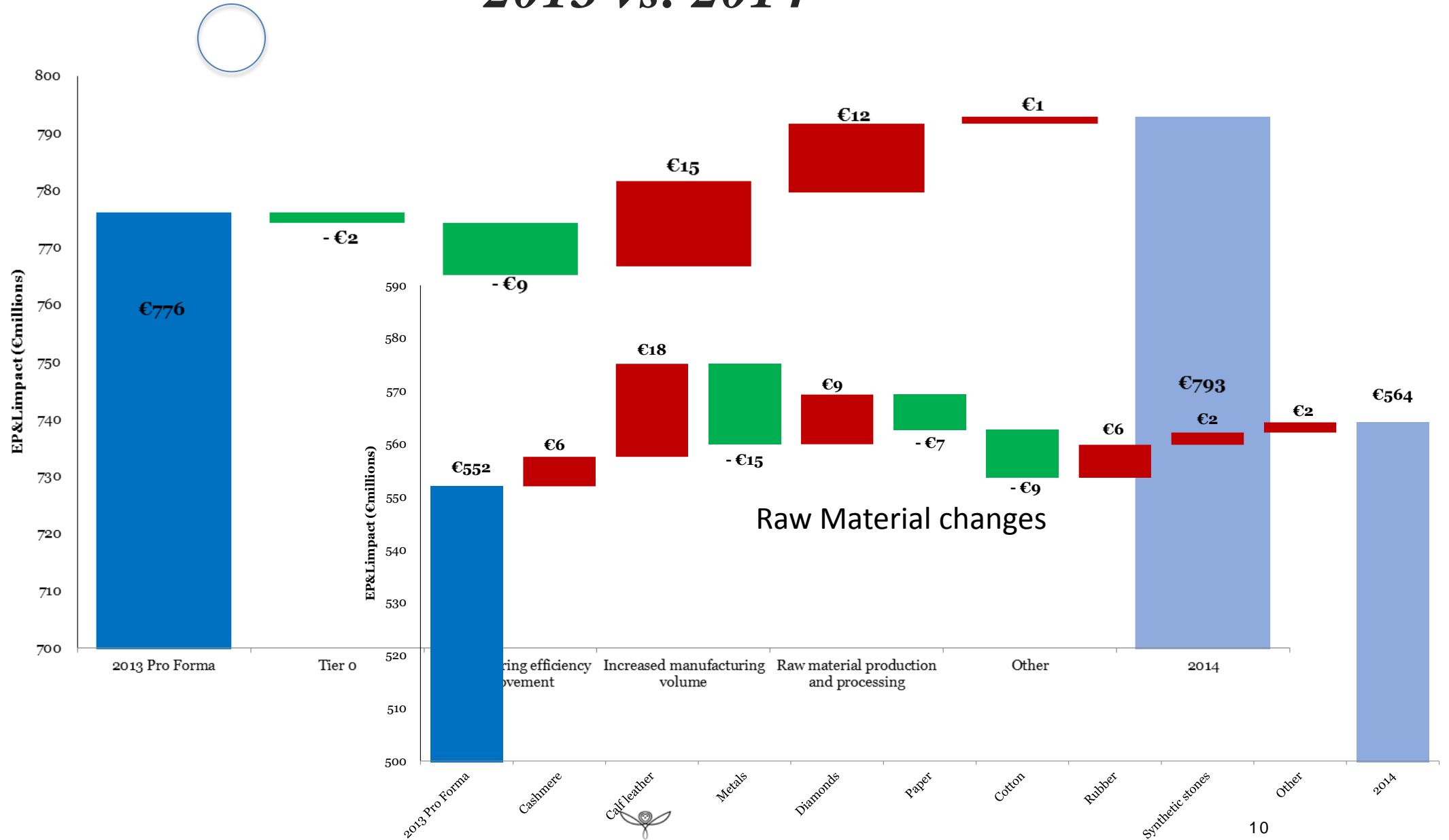
2013



	TIER 0: STORES WAREHOUSE OFFICES	TIER 1: ASSEMBLY	TIER 2: MANUFACTURING	TIER 3: RAW MATERIAL PROCESSING	TIER 4: RAW MATERIAL PRODUCTION	TOTAL IN MILLIONS:
AIR POLLUTION 	●	●	●	●	●	9% €73.0
GREENHOUSE GAS EMISSIONS 	●	●	●	●	●	37% €288.9
LAND USE 	●	●	●	●	●	28% €223.7
WASTE 	●	●	●	●	●	5% €40.3
WATER CONSUMPTION 	●	●	●	●	●	10% €80.1
WATER POLLUTION 	●	●	●	●	●	11% €84.8
TOTAL IN MILLIONS:	7% €52.4	14% €111.8	5% €36.6	20% €202.3	49% €369.7	100% €752.8

2014

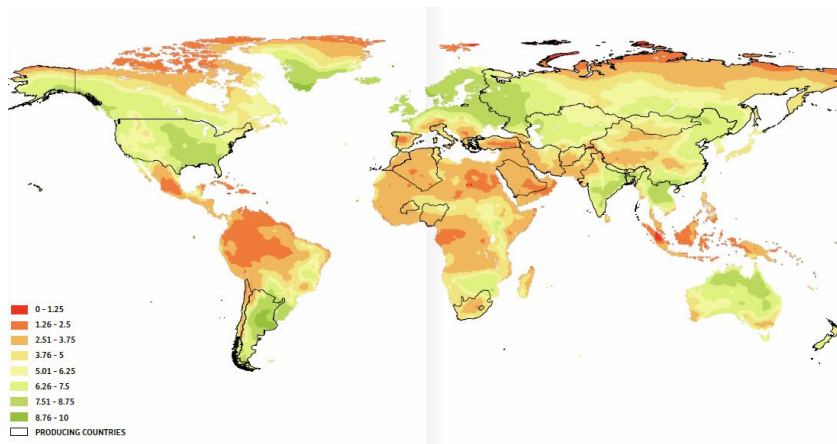
# 2013 vs. 2014



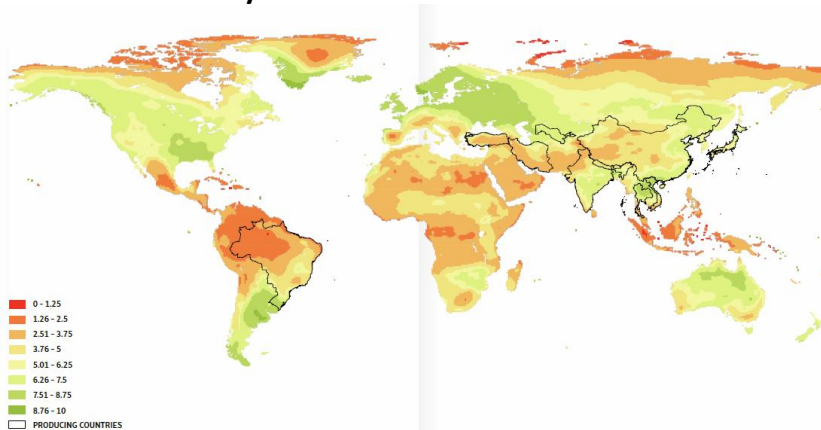
# Future Innovations

## Climate Change Risk

20+ years Sheep



20+ years Silk



## Biodiversity and Ecosystem services

### 4.1. Environmental outcomes

To estimate the environmental outcomes of land use, we must assign the correct portion of land use and then estimate the extent of ecosystem services lost on that land.

Figure 2: Steps for estimating environmental impacts of land use & conversion



Figure 4: WWF



Empowering Imagination

[www.kering.com/en/sustainability](http://www.kering.com/en/sustainability)