



PRESS RELEASE

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PPR Group's Sustainability Initiative PPR HOME to Set New Standard in Luxury, Sport & Lifestyle and Retail Sectors

- Creative Sustainability Lab launched through partnership with Cradle-to-Cradle® to re-think and re-consider product and business development
- Offset of 2010 global CO₂ emissions from PPR's Luxury group, PUMA and PPR's headquarters¹
- Initial steps by PUMA towards first-ever Environmental Profit and Loss (EP&L) account statement
- Annual €10 million budget indexed to dividend evolution

After more than ten years of implementation of its environmental and social efforts across its global brands, PPR announced an ambitious and multi-tiered new sustainability initiative on Monday in Paris. By moving beyond the traditional Corporate Social Responsibility model, the group launched PPR HOME and is setting a new standard in sustainability and business practice in the Luxury, Sport & Lifestyle and Retail sectors.

"My deep conviction that Sustainability creates value is part of my strategic vision for PPR. Sustainability can – and must – give rise to new, highly ambitious business models and become a lever of competitiveness for our brands. PPR HOME will provide us with novel, more sustainable approaches to contribute to a better world for the long run", said Francois- Henri Pinault, CEO of PPR.

PPR HOME is the new direction dedicated to Sustainability inside PPR. Placed under the strategic leadership of Jochen Zeitz, PPR Chief Sustainability Officer, PPR HOME will bring expertise, support

¹ Scopes 1 & 2 of the Greenhouse Gas Protocol



and creativity to all PPR brands. An annual €10 million budget, in addition to PPR brands own initiatives, will be dedicated to PPR HOME. It will be indexed to the evolution of the dividend paid by PPR.

By forming PPR HOME, the PPR Group is committing to lessen its impact on the environment, taking proactive steps to implement best business practices. PPR HOME will not only focus on working towards reducing and mitigating its social and environmental impacts, but will develop opportunities for the benefit of people and their environments in their spheres of operation.

PPR HOME's first announcements are setting the pace for the Group's sustainability mission in order to reduce the social and environmental footprint for its Luxury, Sport and Lifestyle brands. These pioneering initiatives include:

- PPR HOME launches the Creative Sustainability Lab to help lead the industry and foster creativity, innovation and sustainability. Its inaugural partnership with Cradle-to-Cradle® will drive PPR HOME to challenge traditional approaches and proactively re-think and re-consider product and business development. The Cradle-to-Cradle® concept believes that 'good design' of products and services should move beyond typical measures of quality – cost, performance and aesthetics – to integrate and apply additional objectives addressing environmental and social concerns.
- PPR has offset its 2010 global CO₂ emissions from PPR's Luxury group, PUMA and PPR's headquarters of 98,729 tons to achieve carbon neutrality in Scopes 1 & 2 of the Greenhouse Gas Protocol and purchased carbon credits from Wildlife Works' leading REDD (Reduced Emissions from Deforestation and Degradation) offsetting project in Kenya that takes the needs of the local communities and the conservation of biodiversity into account. As the first step in making REDD a reality, Wildlife Works recently provided proof that REDD conforms to the accounting rigor that other carbon credit classes provide, resulting in Wildlife Works project becoming the first-ever Voluntary Carbon Standard (VCS) validated and verified REDD program.
- PPR's premiere Sportlifestyle brand, PUMA, has applied a groundbreaking methodological approach to measuring and costing their use of ecosystems and their ecological footprint. This is the initial step to measuring the full economic impact on ecosystem services by PUMA and its supply chain and the delivery of the first-ever Environmental Profit and Loss (EP&L) account statement*. PPR HOME will take a leadership role in building understanding and support for this corporate shift, encouraging others within the industry to share PUMA's pioneering efforts towards fully-integrated reporting.

As shown by these initiatives, PPR HOME moves beyond the conventional CSR approach and promotes a new business paradigm whereby the attainment of sustainability is driving creativity and innovation, and vice versa, to build businesses that deliver financial, social and environmental returns.

“In uniting its brands behind the PPR HOME initiative, PPR can make a unique contribution towards finding sustainable solutions and has an opportunity to reconsider products and services as a means to challenge the present way of doing things; set the pace for a new, more sustainable consumerism; redefine sustainable shareholder value; and build businesses that meet the needs of an evolving society“, said Jochen Zeitz, PPR Chief Sustainability Officer.

PPR HOME’s focus is on:

- internal initiatives
- non-profit initiatives
- and for-profit investments.

PPR HOME centers on 4 interconnected programs: Leadership (leading a corporate paradigm shift both externally and internally); Humanity (enhancing the social, economic and environmental wellbeing of communities in PPR’s spheres of operation); Ecology (mitigating PPR’s footprint via reduction, offsets and investing in the environment); and Creativity (creating sustainable solutions to support global sustainability)**.



** PUMA commissioned Trucost and PwC to assist in developing the E P&L. Trucost brings unrivalled experience and skills in value chain e-KPI-analysis and environmental externalities, while, PwC’s sustainability and climate change team provided specialist expertise in environmental valuations and corporate reporting.*

*** PPR HOME’s initiatives and investments will be evaluated by a clear set of criteria to ensure that they serve PPR HOME’s vision and its mission. A monitoring and reporting system will be established for tracking the progress of internal and external initiatives in delivering agreed sustainability targets.*

A digital press kit including supporting documents on PPR HOME’s initiative announcements is available upon request. For further information on PPR HOME please contact:

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About PPR

PPR nurtures a group of high-growth global brands distributed in more than 120 countries. Through its Consumer and Luxury brands, PPR generated revenue of €14.6 billion in 2010, and had approximately 60,000 employees at December 31, 2010. The PPR share is listed on Euronext Paris (FR 0000121485, PRTP.PA, PPF.P).

To explore the PPR brand universe, please visit www.ppr.com : the Luxury group (Gucci, Bottega Veneta, Yves Saint Laurent, Balenciaga, Boucheron, Sergio Rossi, Alexander McQueen and Stella McCartney), Puma, Fnac and Redcats (La Redoute, Vertbaudet, Somewhere, Cyrillus, Daxon, Ellos, The Sportsman's Guide, The Golf Warehouse and large size division brands).



FOR THE LONG RUN