



GUCCI UNVEILS NATURE-POSITIVE CLIMATE STRATEGY

New Natural Climate Solutions Portfolio goes beyond Gucci's commitment to total carbon neutrality to tackle climate change and champion regenerative agriculture

Milan, 27 January, 2021 - Today, Gucci unveiled the evolution of its climate strategy, going beyond carbon neutrality towards a nature-positive approach. Gucci's new 'Natural Climate Solutions Portfolio' protects and restores critical forests and mangroves, while also investing in regenerative agriculture within its supply chain, and more broadly, to give back to nature.

Since 2018, Gucci has been carbon neutral in its own operations and across its entire supply chain by following the mitigation hierarchy: avoid, reduce, restore and then, as a last measure, offset its remaining greenhouse gas (GHG) emissions through nature-based solutions every year. While Gucci's new climate strategy continues to prioritize emissions reduction, in parallel, it drives supply chain transformation to create a positive impact on biodiversity and climate.

"The evolution of our strategy incorporates a series of clear climate actions that will continue to prioritize reducing our emissions and drawing down CO₂, which allows us to maintain carbon neutrality across our entire supply chain. At the same time, we are investing in regenerative agriculture as an important pillar of our approach. Led by science, Gucci's new Natural Climate Solutions Portfolio protects and restores important ecosystems that mitigate climate change, while providing lasting biodiversity and climate benefits for years to come. We want to be part of the solution for nature and climate by mainstreaming practices and systems that will transform nature from being a victim of climate to becoming an actor to change climate, which will ultimately determine the future of our planet." said Marco Bizzarri, Gucci's President and CEO.

Gucci's new diversified Natural Climate Solutions Portfolio has been set up to:

- **Conserve critical forests:** Benchmarked against its annual Environmental Profit and Loss (EP&L)* account, Gucci reduced its total GHG

emissions by 18% between 2018 and 2019, relative to growth. To maintain its commitment to carbon neutrality in Scopes 1,2 and 3 of the Greenhouse Gas Protocol, all remaining GHG emissions from Gucci's 2019 activities equaling 1.369 million tons CO₂e have been translated into protecting approximately 1,195,000 hectares of important forests and biodiversity. Gucci's investment in the Chyulu Hills REDD+ project in Kenya with partner Conservation International and the Kariba REDD+ project in Zimbabwe with partner South Pole mitigates climate change, creates a positive economic and social impact for local communities and protects endangered wildlife and their habitats.

- **Restore and protect mangroves:** Above and beyond its 2019 emissions compensation outlined above, Gucci has also invested in the Muskitia Blue Carbon REDD+ project in Honduras with its South Pole partner. The project will protect nearly 5,000 hectares of mangroves and over 285,000 hectares of forest from deforestation. Mangroves store up to ten times more carbon than mature terrestrial forests, however, 30-50% of the world's mangroves are already lost and they continue to disappear at a rate of 2% each year. When these ecosystems are damaged or destroyed, an enormous amount of carbon dioxide is emitted back into the atmosphere, which contributes to climate change.
- **Improve land management through regenerative agriculture:** As the first step in a broader, long-term strategy for regenerative agriculture, Gucci is working on feasibility studies with Conservation International, South Pole and Native to identify and scale up regenerative agriculture projects within its sourcing regions, with the aim to source regenerative raw materials for its products. Going beyond its own supply chain, Gucci is also incentivizing farmers to switch to regenerative agriculture through 'carbon farming'. As such, Gucci has directly funded Native's newest regenerative projects for wool and leather globally covering 3,075 hectares, allowing for the capture of approximately 25,000 tons of CO₂ over the next five years. These activities will consequently catalyze over 32,000 hectares of land managed with regenerative practices and bring about an additional 200,000 tons of CO₂ sequestered over the projects' life. As an example, Gucci has funded woolgrowers in Patagonia to enable them to convert to regenerative grazing on 1,800 hectares of grasslands, which will promote soil health, water quality, increased biodiversity, animal welfare best practices and carbon sequestration for the long-term. Overall, Gucci is championing a shift from the chemically intensive farming that traditionally produces fashion's raw materials to

agricultural systems that actually replenish and strengthen nature rather than depleting it.

Under its holistic climate strategy, Gucci has continued to focus on avoiding and reducing its greenhouse gas emissions across its supply chain. In 2019, these efforts led to a -266,000 tons of CO₂e (-706,125 tons of CO₂e over the last two years) decrease of GHG emissions which was directly linked to sustainable design as well as measurable improvements in high impact areas throughout Gucci's supply chain, including:

- **Renewable energy:** Switching to green energy, Gucci avoided -59,000 tons of CO₂e and reached 83% renewable energy for its stores, offices, warehouses and factories with a 100% target for 2022. Gucci is also supporting its suppliers switch over to green energy through capacity building.
- **Manufacturing efficiencies:** Extending sustainable processes and manufacturing efficiencies, such as metal-free tanning, [Gucci Scrap-less](#) and [Gucci-Up](#), and reducing waste from manufacturing equaling -3,000 tons of CO₂e avoided.
- **Sustainable sourcing:** Sourcing sustainably and incorporating organic fibers in Gucci's collections reduced -179,000 tons of CO₂e, advancing its goal to source 100% sustainably by 2025.
- **Circularity:** Increasing the use of recycled and regenerated materials across nylon, cotton, cashmere, polyester, precious metals, plastic and packaging to support a circular economy, with savings of -13,000 tons CO₂e, and launching Gucci's first collection, Gucci Off The Grid, under its new Gucci Circular Lines. In addition, creating new circular business models such as its pre-loved Gucci digital shop in partnership with the RealReal.

Note to Editors:

1. *The EP&L measures GHG emissions, water consumption, air and water pollution, land use, and waste production within a company's own operations and across the entire supply chain and then calculates the social cost in relation to these impacts. Gucci set a target to reduce its GHG emissions by 50% by 2025 (2015 baseline) benchmarked against its annual EP&L. Its 2019 EP&L results showed that Gucci reduced its total emissions by 37% since 2015 and by 18% between 2018 and 2019, relative to growth.
2. The REDD+ forest and mangrove projects in Kenya, Zimbabwe and Honduras supported by Gucci have been verified against strict global standards (Verified Carbon Standard and The Climate, Community and Biodiversity Standards). For further information on the projects please see: <https://bit.ly/3qW2RL8>
3. Carbon farming is focused on agricultural methods aimed at sequestering atmospheric carbon into the soil and in crop roots, wood and leaves. Regenerative agriculture practices and increasing a soil's organic matter content can aid plant growth, increase total carbon content, improve soil water retention capacity and reduce fertilizer use. Farmers and land managers can then earn and sell carbon credits by changing land use or management practices to store carbon.

4. The RealReal x Gucci launched an online shop pilot in The RealReal marketplace featuring pre-loved Gucci and promoting circularity for luxury fashion (05 October - 31 December, 2020). For every individual consigning or purchasing Gucci, the companies planted a tree through nonprofit One Tree Planted, equaling 30,000 trees to help restore the San Bernardino National Forest in California.

About Gucci

Founded in Florence in 1921, Gucci is one of the world's leading luxury fashion brands, with a renowned reputation for creativity, innovation and Italian craftsmanship. Gucci is part of the global luxury group Kering, which manages the development of a series of renowned Maisons in fashion, leather goods, jewelry and watches. For further information about Gucci visit www.gucci.com.

About Gucci Equilibrium

Gucci Equilibrium is our commitment to generate positive change for people and our planet. Powered by creativity and collaboration, we are reducing our environmental impact and protecting nature, while also prioritizing inclusivity and respect, so that everyone in our global Gucci community is free to express their authentic, diverse selves. As we approach our 100th anniversary, we are moving forward into the coming decades with an ongoing commitment to reinforce our culture of purpose, demonstrating our values through innovative pathways towards social and environmental sustainability. Gucci Equilibrium unifies the principles we uphold and the actions we pursue to treat our world and each other better, for our collective future. For more information visit equilibrium.gucci.com and discover Gucci's instagram dedicated to social and environmental sustainability at [Instagram.com/GucciEquilibrium](https://www.instagram.com/GucciEquilibrium).

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