

Luxury Goods & Cosmetics

2019 Report – Key Findings



59 companies in the sector

Vigeo Eiris Food & Health cluster

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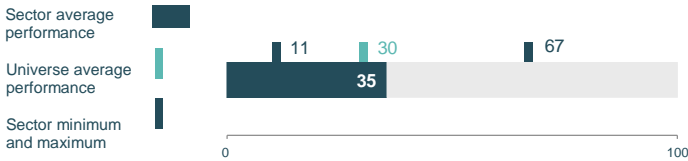
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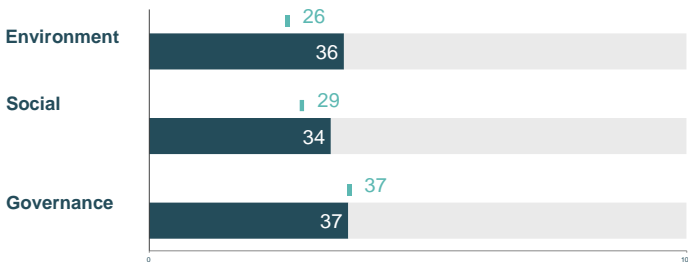
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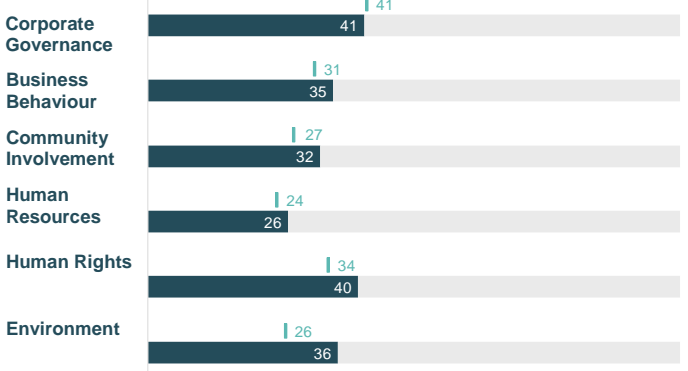
Key Findings 2019 – Luxury Goods & Cosmetics sector



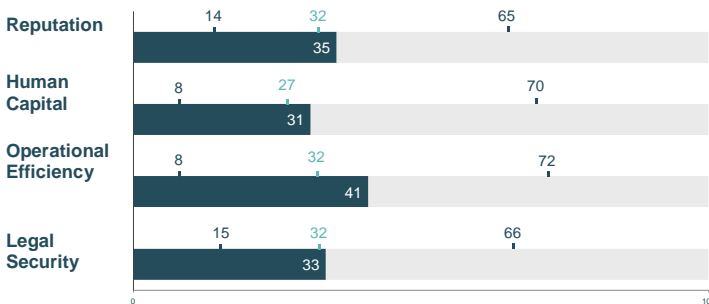
ESG PERFORMANCES – Sector & Universe



DOMAIN PERFORMANCES – Sector & Universe



RISK MITIGATION – Sector & Universe



TAKEAWAYS

- ▶ The transparency of products is still a challenge for the sector.
- ▶ Despite the sector's efforts, stakeholders express concerns on the environmental and social impacts of sourcing raw materials.
- ▶ Packaging: from a way of protecting goods, it has become a product itself with important environmental impacts.
- ▶ The opportunity for bio-prospection in the cosmetics industry against the risk of bio-piracy.
- ▶ Significant challenges lying ahead of the luxury industry to establish effective mechanisms to address animal rights in the supply chain.

TOP PERFORMERS

- Europe: L Oreal (67/100)
- North America: Kimberly-Clark ; Colgate-Palmolive (44/100)
- Asia Pacific: Kao (55/100)
- Emerging Markets: Unilever Indonesia (44/100)

MOST IMPROVED since 2018

- Europe: Financiere Richemont (Switzerland) (+13)
- North America: Signet Jewelers (+6)
- Asia Pacific: UniCharm (+9)
- Emerging Markets: No progress

MOST MATERIAL DRIVERS

ADVANCED (60-100)	
ROBUST (50-59)	<ul style="list-style-type: none"> • Environmental Strategy
LIMITED (30-49)	<ul style="list-style-type: none"> • Non Discrimination and Diversity • Labour Standards in the Supply Chain • Board of Directors • Fundamental Labour Rights • Product Safety
WEAK (0-29)	

CARBON FOOTPRINT

Share of companies in each level of carbon footprint



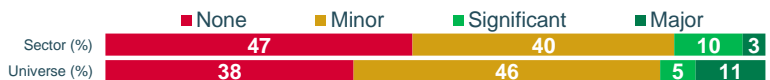
ENERGY TRANSITION

Share of companies in each level of energy transition performance



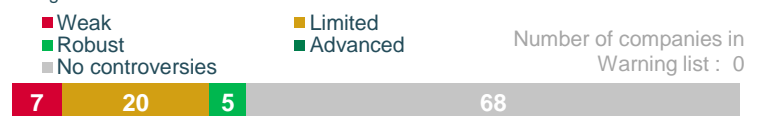
SUSTAINABLE GOODS & SERVICES

Share of companies in each level of involvement in goods and services contributing to sustainable development



CONTROVERSIES RISK MITIGATION

Share of companies in each performance level in terms of controversy risk management



About this document

This document is an extract of the Vigeo Eiris 2019 Report on the Luxury Goods and Cosmetics General sector.

The full report contains:

- More detailed information on performances and impacts highlighted here (data for each zone, historical evolution on 3 years of global performance and on each criterion, top performers on each domain, etc.)
- Detailed description of each takeaway on risks and opportunities
- The overview of methodological framework applied to the sector (weights of criteria, nature of stakeholders' expectations and their vulnerability on each topic).
- Detailed description of the methodology of all Vigeo Eiris research lines.

If you are interested in knowing more, please contact our customer services team at: investorcustomer.service@vigeo-eiris.com.

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Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organisations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organisations.

Vigeo Eiris offers a wide range of services:

- For investors: decision-making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more)
- For companies & organisations: supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more).

Vigeo Eiris obtained ISO 9001: 2015 certification for its processes relating to methodology, rating, sale and delivery of its data to all types of investors.

Vigeo Eiris methodology and rating services adhere to the highest quality standards. With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Brussels, Casablanca, Hong Kong, Milan, Montreal, New York, Rabat and Santiago.

The Vigeo Eiris Global Network, comprising 4 exclusive research partners, is present in Brazil, Germany, Israel and Japan. For more information: www.vigeo-eiris.com

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