

United Nations Mr Ban Ki-Moon Secretary-General of the United Nations Global Compact Office New York, NY 10017

Paris, 24 April 2015

Subject: Communication On Progress - Lacoste

Dear Mr Secretary-General,

In accordance with the undertakings Lacoste gave in November 2012 and, as provided each year to the United Nations Global Compact, I have pleasure in enclosing our new "Communication On Progress" setting out the initiatives our brand has taken in connection with its activities during the last year with a view to promoting the 10 principles of the Global Compact.

First of all, and as new Chief Executive Officer of Lacoste since January 2015, I can confirm our company's firm, wholehearted support for the United Nations Global Compact. I am personally convinced that the excellence and quality of the Lacoste collections are due to the manner in which these products are designed taking into account ethical, social and environmental factors.

In the context of this new "Communication On Progress", I would like to confirm that our CSR initiative introduced in previous years is making good progress and present to you in more detail the three key initiatives for 2014 which, in our view, are emblematic.

First, since 2013, one of our priorities has been to put in place an excellent system to manage our CSR performance. We are convinced that it is essential to measure our social and environmental performance regularly. Accordingly, our company has equipped itself with a new reporting system to enable it to monitor a set of key indicators globally. A reporting campaign is now conducted each year at all the sites at which the brand has operational control worldwide. Data is collected from more than 500 physical sites including points of sale, production sites, warehouses and offices.

To ensure the success of this project, in 2014 an international network of contributors was redefined Groupwide, providing our organisation with an advisor in each of the relevant countries. Each advisor has received training in CSR reporting.

As a result of setting up this CSR reporting system, our company is able to estimate the improvement in its CSR performances year after year and check even more effectively that the CSR programmes have been properly implemented.

It is also an opportunity for our brand to strengthen the dialogue that Lacoste makes an effort to establish with its stakeholders. Some CSR data collected for 2014 will therefore be published for the



first time in a CSR report which will be available from summer 2015. Lacoste has chosen to involve its auditors in the data review so as to improve the transparency of the information published.

In addition to implementing this project, which is pivotal for our organisation, 2014 also saw the launch of a project combining Innovation and CSR in relation to a natural raw material: hemp. Named Chamaille, this R&D project aims to create an ecological hemp-based business line using hemp grown in France, which can be used in the manufacturing of knitted products. In keeping with our brand's tradition of innovation, we hope that this project will create the first French hemp-based product that can be used in manufacturing high-end garments.

Apart from the fact that the hemp used is grown in France, the Chamaille project also stands out thanks to its partners' desire to establish a business line that meets the requirements of sustainable development throughout its life cycle. In order to do this, eco-design forms an integral part of this R&D programme. Accordingly, environmental and social audits will be conducted throughout the duration of the project to guide the choices of processes and materials and validate the sustainable nature of the business line established.

The research covers all stages of the business line: selecting the varieties of hemp, choosing the technical processes and carrying out spinning, knitting, finishing and manufacturing tests. This 36-month project was launched at the end of 2013. In view of its innovative nature, the Chamaille project has received support from some major French organisations: the French environment and energy management agency (ADEME), the Champagne-Ardenne Regional Council and the Aube and Grand Troyes Regional Council.

Finally, I would like to tell you about the efforts Lacoste made in 2014 to strengthen its undertaking to protect biodiversity. When René Lacoste adopted the crocodile as an emblem, he had no idea that more than 80 years later this logo would be worn by millions of people. Neither did he know that the crocodile, as a species, might disappear one day.

In connection with its CSR initiative, Lacoste has therefore decided to continue his contribution to protecting biodiversity by getting involved in the protection of crocodiles, alligators, caimans and gavials and the restoration of the ecosystems where these animals live. With more than 30 years' experience in this type of action, in 2014 Lacoste refocused its "Biodiversity" strategy on three strategic areas: supporting scientific projects recognised for their quality, providing regular support to the scientific community (CSG-IUCN) and developing initiatives to raise awareness of biodiversity issues among its own employees and the general public.

Among the scientific projects supported worldwide, Lacoste decided in 2014 to strengthen its relationship with the Everglades Foundation based in Florida (United States of America) through a new three-year partnership. The aim of this ambitious project is to use the American crocodile and alligator as indicators of the success of the action plans put in place in the Everglades for protecting this ecosystem. Crocodiles and alligators are very sensitive to the environment in which they live. The slightest change has an impact on each stage of their existence, the way in which they feed themselves and their reproduction. Accordingly, the American crocodile and alligator are two reliable and natural indicators of the state of the ecosystem in the Everglades national park.



As you can see, we at Lacoste are convinced that through innovation, operational conscientiousness and cooperation, we can help to find sustainable solutions to the problems faced by our planet, fully aware of the role that companies can play in this area.

I reiterate my undertaking to abide by and put into practice the 10 principles of the Global Compact.

Yours sincerely

Bal March)
Thierry Guibert

Chief Executive Officer of Lacoste SA