

APPAREL AND ACCESSORIES

LVMH deems first group-wide carbon fund a success

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Image courtesy of LVMH

By STAFF REPORTS

Luxury conglomerate Mot Hennessy Louis Vuitton's carbon fund has surpassed its goal set last year, with projects chosen totaling more than 6 million euro, or about \$6.65 million.

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LVMH's program, part of its LVMH Initiatives for the Environment, is aimed at reducing the emissions from its group houses by 25 percent by 2020. Among the focuses of the fund are eco-design, traceability, sustainable products, biodiversity and environmental production sites.

Reducing impact

LVMH's group-wide fund aimed at reducing the impact its operations have on the planet.

A first for the company, the initiative places a monetary value on the greenhouse gas emissions produced through its activities and will then put that amount to work within its organization, making investments that will lower the amount of carbon released into the environment. LVMH's goal is to create a "virtuous cycle" that will create ecological progress across its stable of houses ([see story](#)).



Image courtesy of LVMH

The fund values each ton of carbon emissions at 15 euro, or \$16.6. The 70 brands under the LVMH umbrella

contribute to the initiative based on the amount of their own emissions.

A majority of the projects chosen for LVMH's fund are focused on the store level, with 70 percent centered on the physical retail environment. The chosen projects were picked based on their impact on carbon emissions, the investment's efficiency, innovation, trigger effect and the commitment to the plan.

The plans include reducing energy consumption through changes such as LED lighting or roof insulation, the use of renewable energy and monitoring energy use in France and around the world. With changes in equipment used, LVMH has identified tens of thousands of tons of harmful greenhouse gas emissions that can be prevented.

This first round sets the stage for future funds. LVMH has plans to repeat this initiative in 2017.

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