

MARKETING

Going carbon neutral is the latest luxury trend

September 25, 2019



Gucci's parent company Kering has launched a carbon-neutral initiative. Image credit: Gucci

By SARAH JONES

A growing number of luxury firms are launching carbon-neutral initiatives in an effort to boost their green goals.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

On Sept. 24, Kering joined brands including Porsche and Gabriela Hearst that have established carbon offset programs and promises. As luxury companies aspire to make themselves increasingly sustainable, will carbon offsets move the needle?

"Fashion is one of the main contributors to the climate crisis," said Thomas Camerata, director of marketing/cofounder of [South Pole](#). "Consumers, especially young people, are becoming acutely aware of the facts and demanding transparency and urgent action."

"Climate neutrality shows brands are taking responsibility and committing to credible emission reductions by investing in great projects globally," he said.

In neutral

Carbon offsetting is the process of calculating the environmental impact of activities such as production, transportation and packaging. The carbon footprint that is generated is assigned a financial figure, which is then donated to ecological causes.

For instance, Gabriela Hearst staged what was said to be the first carbon-neutral fashion show during New York Fashion Week.

For the project, Bureau Betak recorded everything from power usage and transportation to catering and waste to try to keep down the amount of emissions that needed to be offset. Then EcoAct calculated the actual carbon footprint of the show.

The resulting offset amount is being donated to the Hifadhi-Livelihoods Project in Kenya's Embu and Tharaka Nithi counties ([see story](#)).

After fashion house Gucci announced its own carbon offset program earlier this month ([see story](#)), its parent

company Kering has rolled out its own initiative.



Gucci will increase its use of renewable energy to reduce carbon emissions. Image credit: Gucci

Kering is making another push towards sustainability by announcing its plans to become carbon neutral across its supply chain.

Since 2011, Kering has been making efforts to avoid and reduce greenhouse gas (GHG) emissions, but with this latest move it will also offset remaining emissions by supporting REDD+ conservation projects. The group's effort with REDD+ will help offset approximately 2.4 million tons of carbon emissions ([see story](#)).

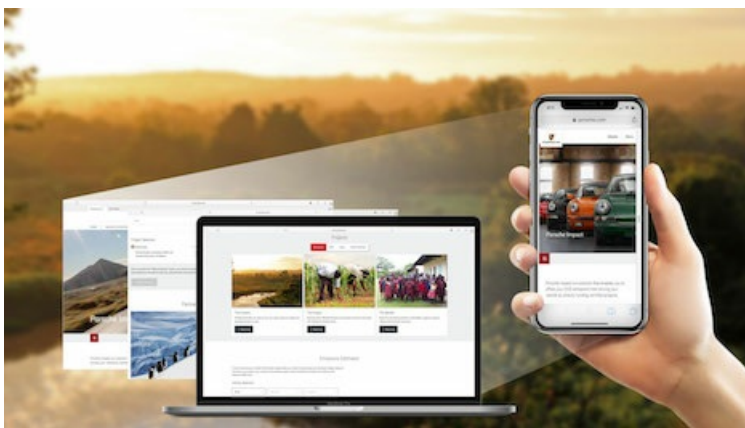
In 2015, conglomerate LVMH Mot Hennessy Louis Vuitton made an internal offsetting-style program.

A first for the company, the initiative places a monetary value on the greenhouse gas emissions produced through its activities and then puts 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](#)).

During the first year of LVMH's carbon fund, the company surpassed its goal, with projects chosen totaling more than 6 million euros, or about \$6.65 million at the time ([see story](#)).

In addition to corporate pledges, companies have also used carbon offsets in an effort to get consumers involved.

For instance, German automaker Porsche helps drivers in the United States, Germany, the United Kingdom and Poland negate the environmental impact of driving through carbon offsetting.



Porsche Impact is centered on a digital calculator. Image courtesy of Porsche Cars North America

Porsche Impact is a Web-based program that enables owners to calculate their personal emissions and then donate to projects that counteract carbon through a partnership with South Pole. As more attention is put onto the ecological effects of fuel-powered vehicles, Porsche is looking to give its drivers peace of mind ([see story](#)).

"A brand that wants to embody longevity and luxury has to have an answer to global warming," Mr. Camerata said. "Climate neutrality pledges clearly help the consumer to better connect with the brands in the long run, for example, Porsche."

Cutting carbon

Outside of offsets, some brands have worked to make certain processes minimally impactful to the environment.

German automaker Audi is looking to reduce its carbon footprint with the opening of the first CO2-neutral production plant in the premium segment.

The brand's production facility in Brussels, Belgium will be dedicated to electric models, including the manufacturing of Audi's first fully electric series model. As climate change becomes an increasingly pressing issue, brands are finding ways to reduce their own impact both in product design and production ([see story](#)).

Diamond company De Beers Group recently received funding support towards carbon-neutral diamond mining in Canada.

Natural Resources Canada's Clean Growth Program has awarded De Beers' carbon-capture research a grant of 675,000 Canadian dollars, or about \$514,000 at current exchange. De Beers Group has continued investing in conservation and sustainability efforts ([see story](#)).

"A good climate neutral program always includes clear target setting, emission reduction programs internally and across the supply chain and a meaningful offset program with high-quality projects for the remaining unavoidable emissions," Mr. Camerata said.

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.