# Non-Financial Report

2024

RICHEMONT

## Maisons & Businesses

## Foundations

## Schools

At Richemont, We Craft the Future

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# Introduction

# About this Report

## This year, Richemont has made further progress in consolidating non-financial reporting practices.

Richemont has been reporting on its Corporate Social Responsibility (CSR) activities since 2012 and published its first ESG Report in FY23.

The Non-Financial Report 2024 has been prepared in accordance with the Global Reporting Initiative (GRI) Standards (2021). The report covers material environmental, social and governance impacts, as well as the Richemont management approach. The GRI Correlation Table and the GRI Content Index are included in the Basis of Preparation document, which is available on the Group's website.

This report focuses on activities undertaken during the financial year 2024 (1 April 2023 – 31 March 2024), except for environment data, which relates to the calendar year 2023 and is marked as such.

This report includes Richemont's disclosures on non-financial matters required by Articles 964a-c of the Swiss Code of Obligations, which are summarised in the Disclosure in Accordance with Art. 964b Swiss Code of Obligations section of the appendix.

Richemont's disclosures required by Article 964j-l of the Swiss Code of Obligations can be found in the 'Disclosure in accordance with Art 964j-l of the Swiss Code of Obligations and the Swiss Ordinance on Due Diligence and Transparency in Relation to Minerals and Metals from Conflict-Affected Areas and Child Labour' appendix.

For more information on data collection, please consult the Richemont Basis of Preparation document which outlines the principles and methodologies that guide data collection, restatements of information, analysis and reporting within the Group. This document, together with previous reports, can be found in the Sustainability section of the Group website under 'Reports & Policies'.

A glossary can be found in the appendix of this report.

### Reporting Boundary

This report presents the performance of Compagnie Financière Richemont SA, all its Maisons and businesses, subsidiaries and regional offices accounted for by the financial control method, which, unless the context suggests otherwise, are referred to as 'we', 'us', 'our', 'Group' and 'Richemont'.

ESG data related to the Maison, Gianvito Rossi and the Manufacture Miles, acquired during the reporting period, is not included in the reporting scope of the Non-Financial Report 2024. Acting on our Social Impact and Influencing our Supply Chain chapters do not include data related to YNAP.

There are no significant changes to report regarding the Group's activities, value chain, and business relationships, compared to the previous reporting period.

### Board Approval and Date of Publication

This report was approved by the Board of Directors prior to publication on 13 June 2024.

### Point of Contact

For enquiries regarding this report please contact:

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Email: investor.relations@cfrinfo.net

**Group Sustainability**
Email: sustainability@richemont.com

### Assurance

Selected disclosures and indicators have been independently assured (limited assurance) by PricewaterhouseCoopers SA (PwC). For further information please consult the PwC Assurance Report in the appendix.

### Cautionary Statement Regarding Forward-looking Statements

This document contains forward-looking statements, including on sustainability objectives, targets, outlooks and plans. Words such as 'may', 'should', 'estimate', 'project', 'plan', 'believe', 'expect', 'anticipate', 'intend', 'potential', 'goal', 'strategy', 'target', 'aim', 'will', 'seek' and similar expressions may identify forward-looking statements. Such forward-looking statements are based on current beliefs and expectations of Richemont. They are not guarantees of future performance or developments. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside the Group's control. Richemont does not undertake to update, nor does it have any obligation to provide updates or to revise, any forward-looking statements.

# About Richemont

One of the world's leading luxury goods groups, Richemont was established in 1988 and is the owner of a unique portfolio of 28 Maisons and businesses.

They are all recognised for their excellence and operate across the following three main areas:

## Jewellery Maisons

## Specialist Watchmakers

A. LANGE & SÖHNE
GLASHÜTTE I/SA

## Fashion & Accessories/Other

In addition, Richemont operates NET-A-PORTER, MR PORTER, THE OUTNET, YOOX and the OFS division for which a plan to sell the majority of the shares is in progress at the date of publication of this report.

## We Work as Business Partners

### OUR MAISONS & BUSINESSES

**Directly in charge of:**
- Creation
- Product development
- Manufacturing
- Marketing
- Communication
- Distribution network
- Customer services

in order to preserve their distinctiveness, unique heritage and DNA and enable their individual creativity to flourish.

### HEADQUARTERS

**Senior Executive Committee:**
- Business and Sustainability strategy
- Capital allocation

**Central functions:**
- Provide guidelines, set policies and standards, and provide control and support on: Company Secretariat, Corporate Affairs, Finance (Investor Relations, Legal, M&A, Sustainability, Tax, Treasury), Human Resources, Marketing Services, Operations (Customer Services, Manufacturing, Indirect Procurement, Research & Innovation, Responsible Sourcing, Security, Health & Safety (H&S), Supply Chain & Logistics), Real Estate and Technology Platforms.

### REGIONS

**Regional operations:**
- Europe
- Americas
- Asia Pacific
- Japan
- Middle East, India & Africa (MEIA)

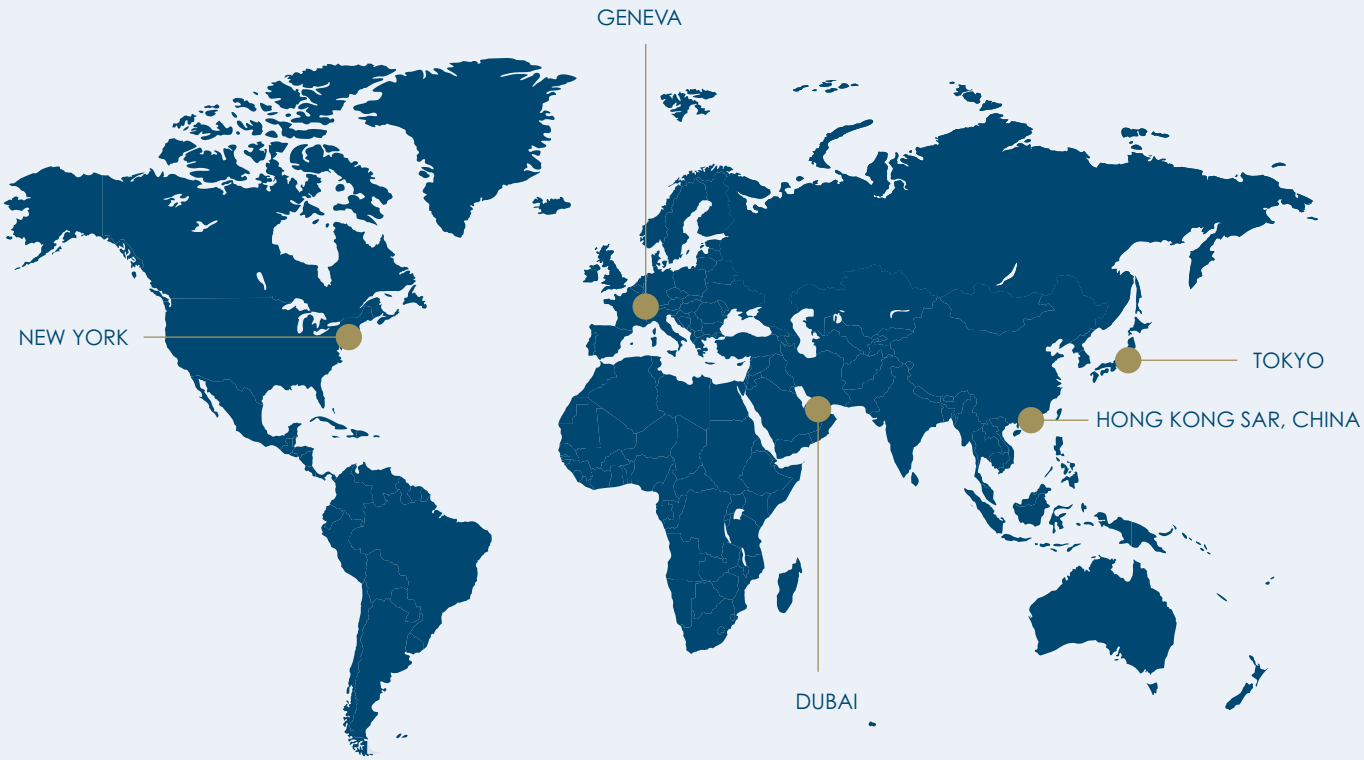
Provide the right business environment for Maisons and businesses to grow their brand equity and run efficient local operations, leveraging central function services and attracting the best local talent.

# Global Presence

Richemont operates in more than
**150** locations

Boutiques in our network
**2 422**

Directly operated by Richemont
**1 367**




## OUR HEADQUARTERS ARE IN BELLEVUE, CANTON GENEVA, SWITZERLAND

**Five regional offices provide support services to our Maisons in:**

- Geneva for Europe
- Dubai for Middle East, India & Africa
- Hong Kong SAR, China for Asia Pacific
- Tokyo for Japan
- New York for the Americas

# Chief Sustainability Officer Message

## Quiet but Deep Sustainability

We continued to prioritise ESG integration across our Maisons, regions and functions throughout this financial year.

With new ESG regulatory frameworks entering into force in Switzerland and at the European Union level, FY24 marked the beginning of a paradigm shift in sustainability management. Sustainability has become ever more integral to finance and legal, with increasingly normative approaches requiring organisational and strategic adaptation across the Group.

Last year, we integrated the GRI Standards by design into our report, leading to insightful audit recommendations.

Our sustainability approaches are and have always been driven by our desire to "do good". With that in mind, today the emphasis is on understanding risks to the planet, people and business. This requires a deeply embedded sustainability culture and a quiet and humble approach, alongside an ongoing dialogue with a broad spectrum of stakeholders, from scientists, civil society and suppliers, to employees, investors and policy makers.

In today's ever-changing context, solutions need transversal collaborations, both internally and externally. This results in the need for new expertise, through learning and development, which has been accelerated with the creation of the Richemont Sustainability Online Academy.

ESG performance and ESG reporting are a broad and collective effort involving contributions from many teams across the Group's Maisons, regions and functions. This report aims to capture our colleagues' efforts to take responsible decisions every day to minimise climate impact, protect biodiversity and respect human lives.

I would like to recognise and thank everyone for their ongoing commitments and actions to help Richemont Craft the Future every day.

Bérangère Ruchat
Chief Sustainability Officer

# Executive Summary

Our approach to sustainability is inspired by our history and ambition to nurture our Maisons and businesses and enable them to grow and prosper in a responsible manner. Sustainability is integral to the Group's long-term vision and guides how it operates as a responsible business.

**Environment, Social and Governance Management System**

During the year under review, Richemont took the next step on its journey of continuous improvement, having completed the development of a Group-wide ESG Management System. This provides the overarching framework integrating policies, processes and actions, to execute the Group's ESG priorities.

The system is informed by the Materiality Assessment conducted at the beginning of 2023 and the Group's ESG Risk and Opportunity Assessment (ROA) conducted during the year. Built on the insights of the materiality assessment, the ROA helped to identify, prioritise, and contextualise ESG-related risks and opportunities.

The development of the system was also supported by the Richemont Sustainability Online Academy, bringing expertise in-house and moving away from project-based interventions to one consistent approach across Maisons, functions and regions. The Group's Chief Sustainability Officer oversees the operationalisation of the management system, sustainability performance and reporting, and leads the Group Sustainability team, which interacts with more than 100 sustainability leaders across Richemont's Maisons, regions and functions.

**Acting on our Environmental Impact**

Richemont continually strives to manage and reduce the environmental impact from its operations and supply chains.

In 2023, Richemont was recognised by the Carbon Disclosure Project for its environmental performance, receiving an A- score for climate change. This score is a testament to Richemont's environmental leadership and puts the Group amongst the top 22% of all global respondents. The Group continues to work towards its Science Based Targets set in 2021.

Richemont's key environmental challenges include understanding and mitigating the impacts of climate change, responsible resource use, biodiversity conservation and freshwater stewardship.

As part of Richemont's ongoing commitment to material innovation, the Group has been engaged in research and testing of new materials as potential alternatives to Polyvinyl chloride, a synthetic polymer. The PVC phase-out initiative culminated in the cessation of PVC containing product sales in its stores and to wholesalers, including packaging and gifts, as of December 2022. PVC has been added in Richemont Product Restrictive Substance List (PRSL) to ensure its permanent phase out.

The Group works to improve energy efficiency and reducing Greenhouse gas (GHG) emissions through energy management and buildings efficiency gains across its global real estate portfolio. Richemont is a member of the RE100 and has formally committed to sourcing 100% renewable electricity by no later than 2025. In 2023, 97% of Richemont's electricity consumption comes from renewables sources.

Dedicated Health, Safety and Environment team and Chemical Competence Center ensure chemicals are managed responsibly.

**Acting on our Social Impact**

Richemont supports its people throughout the employment journey, from talent attraction to employee engagement and management, and has been recognised as an attractive place to work, receiving various awards during the year.

The Group is focused on creating an inclusive environment through various initiatives. This year, Richemont achieved a major milestone gaining EQUAL-SALARY certification at a global level, verifying that its employees are paid equitably across genders in every market where it operates (excluding YNAP and sites in Russia).

The Group takes a long-term approach to talent attraction, recruiting people not just for their first role, but also for their potential and ability to learn and develop towards their aspirations in the Group. Ongoing performance management and development are recorded in the 'My Performance Journey'. This connects employees' annual performance reviews with their growth and development needs and is supported by a comprehensive learning and development programme. Richemont also supports apprenticeships and internships and builds partnerships with schools and universities to preserve craftsmanship to sustain the luxury industry.

### Influencing our Supply Chain

Richemont aims to ensure that responsible sourcing standards are respected across its supply chains.

During the year under review, the Responsible Sourcing Handbook, available internally, was developed to establish a common framework around risk management and due diligence methodologies.

The Supplier Code of Conduct, the Raw Materials Sourcing Policy and the Group Procurement Policy lay the foundations for the Group's responsible sourcing approach. These policies are supplemented by membership of industry organisations that set and monitor standards for specific supply chains.

Governance of the Group's fine gold purchases is provided by the Gold Sourcing Committee, which oversees the definition of purchasing standards, the validation of Varinor's sourcing decisions, the control of the panel of existing suppliers, and the monitoring of purchases and due diligence reports. The Stones Supply Chain Committee governs the supply of diamonds and gemstones. An important pillar in the Group's strategy is to promote the Responsible Jewellery Council's Code of Practices and Chain of Custody certifications across the relevant supply chains.

Richemont is a member of the Leather Working Group, as well as of the International Crocodilian Farmers Association, which sets crocodilian farming practices with respect to animal welfare.

The watch components supply chain is overseen by the Group's Sourcing Intelligence and Responsible Sourcing teams, and Richemont's privileged panel of suppliers is predominantly composed of small-to-medium sized enterprises, with whom the Maisons have established long-term relationships through close collaboration and partnerships.

### Sustainability Governance

Sustainability is firmly embedded at the highest governance level of the Group through the Governance and Sustainability Committee, which regularly updates and reports its actions to the Board of Directors. The Governance and Sustainability Committee supports the Board in establishing and reviewing strategy, policies and guidelines that address all aspects of Richemont's ESG framework.

The Chief Sustainability Officer is a permanent attendee of this Committee and a member of the Senior Executive Committee, the executive management body of Richemont responsible for overseeing the management of ESG performance and reporting. Group Sustainability is integrated within the Finance division, with the Chief Sustainability Officer, reporting to the Chief Finance Officer.

Sustainable and ethical principles are the foundations of Richemont's Standards of Business Conduct that define the behaviours expected of all employees. These are underpinned by the Richemont Speak Up platform, where suspected violations can be reported.

This year the Group progressed in the roll-out of the Speak Up Platform, which was initially launched in June 2022. It forms an essential part of the Group's ethical standards. The platform allows employees and any third party to report any concerns via telephone or an online form, with an option for anonymity. This year it was extended to include the possibility for third parties, such as suppliers, to report concerns about unethical and illegal behaviour.

In FY24, Richemont launched a Human Rights Statement, reflecting the Group's commitment to respect the human rights of its stakeholders, including employees, clients, investors, partners, suppliers and other people impacted by its value chain. The launch was supported by a dedicated human rights training module to help raise awareness of this material topic.

# Business and ESG Performance Highlights

## Key figures

**Sales**
€20.6bn

**Operating profit**
€4.8bn

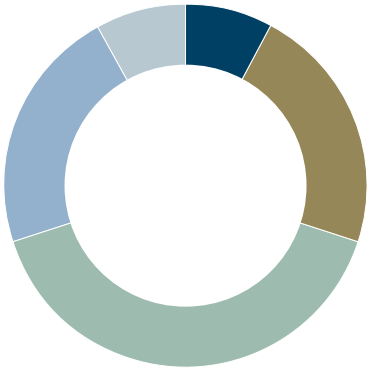
**Jewellery sales**
€10.7bn

**Watch sales**
€7.0bn

**Clothing, leather goods & accessories sale**
€1.8bn

**Cash flow from operating activities**
€4.7bn

**Sales by geographic location**



| | |
|---|---|
| Middle East and Africa | 8% |
| Europe | 22% |
| Asia Pacific | 40% |
| Americas | 22% |
| Japan | 8% |

### Sustainability Approach

Established **ESG Management System,** informed by **ESG Risk and Opportunity Assessment**

Launched **Richemont Sustainability Online Academy** for training and development

### Acting on our Environmental Impact

31%
**reduction vs 2022** in $CO_2e$ emissions from transportation and distribution

22%
of Richemont-owned buildings with internationally and nationally recognised building standards

### Acting on our Social Impact

**Achieved global gender EQUAL-SALARY certification** covers >38 000 employees across 39 markets
excluding YNAP and sites in Russia

Committed to **preserving craftsmanship** by nurturing young creative talents

**Materiality of 'Exclusion Criteria'**
In addition to widespread investor demand for ESG disclosures, some investors apply 'exclusion criteria' to their portfolio decisions. To help them, Richemont provides the following information regarding gun, alcohol and tobacco-related products. Together, the sales of guns by James Purdey & Sons, the sales of alcoholic beverages in two dunhill restaurants and the sales of tobacco accessories, such as dunhill pipes, account for significantly less than 1% of Group sales. Accordingly, the sale of such products is not a material element of Richemont's business.

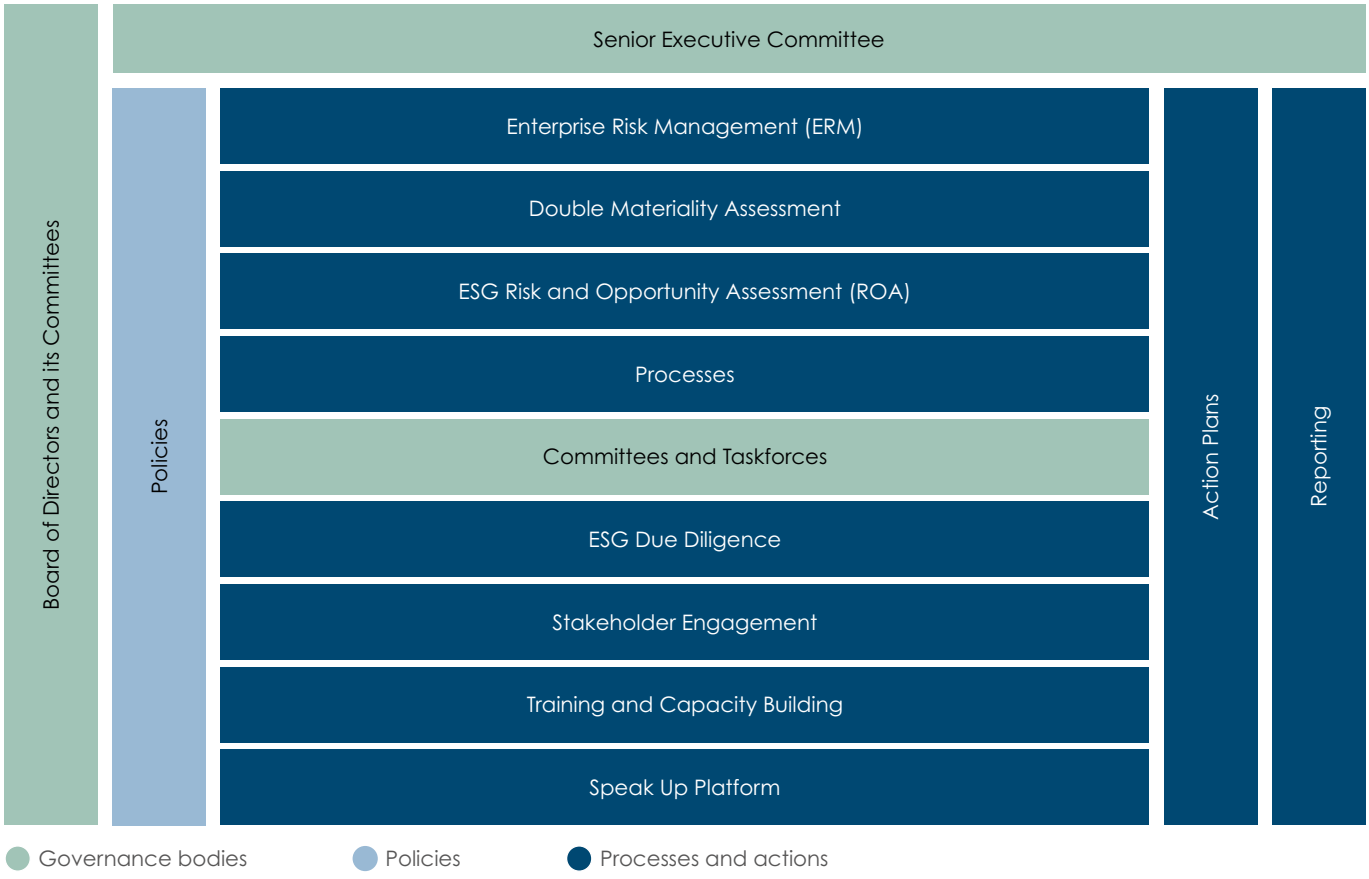
# ESG Management System

Richemont's ESG Management System, as illustrated in the diagram below, establishes the overarching structure that integrates policies, processes and actions, providing the framework to execute the Group's ESG priorities.

Last year the Group enhanced the role of the Group Sustainability function, acting as competence centre for the Maisons, regions and functions and operating around three pillars: ESG Transformation, ESG Excellence and ESG Engagement.

The ESG Management System shows how the findings of the Materiality Assessment and the ESG Risk and Opportunity Assessment (ESG ROA) inform the Group's policies, taskforces and committees, and drive due diligence across direct operations and supply chains, supported by stakeholder engagement, training and capacity building, as well as the Speak Up Platform. This report expands on these building blocks, giving more details on the context, approach and progress to date on each topic.

**ESG Management System**



# Governance and Management

Sustainability is firmly embedded at the highest governance level of the Group through the Governance and Sustainability Committee, which regularly updates and reports its actions to the Board of Directors. Established in March 2021, it replaced the Ethics Subcommittee, which had been created in 2019. This committee reviews all management proposals regarding the sustainability roadmap.

The Governance and Sustainability Committee (G&SC) supports the Board in establishing and reviewing strategy, policies and guidelines that address all aspects of Richemont's ESG framework. The Committee convenes five times per year, and the Group Sustainability team assists with setting the agenda, following a comprehensive work programme covering all aspects of Richemont's ESG framework. External stakeholders are regularly invited to discuss critical matters requiring the Committee's attention and contribute to the Committee's decision-making process when and where relevant.

The G&SC advises the Board on the following matters:
- review and approval of proposals regarding climate, energy, water, biodiversity, waste, and resource scarcity;
- oversight of due diligence processes and the Materiality Assessment, which focus on Richemont's impact on ESG topics and include insights on internal and external stakeholder engagement (the effectiveness of these due diligence and engagement processes is reviewed on an annual basis);
- management proposals regarding diversity, equity and inclusion, respect of human and labour rights and social impact on supply chains and communities; and
- ESG or sustainability-related amendments to strategic plans.

The Committee reports to the Board on its proceedings after each meeting on all matters within its duties and responsibilities, including any matters on which the Board has requested the Committee's opinion. Items can be discussed with the Board at large if required. This committee comprises the following non-executive directors: Ms Jasmine Whitbread, Mr Clay Brendish, Ms Wendy Luhabe and Mr Guillaume Pictet (until 31 March 2024). Ms Whitbread, the Committee's Chair, has extensive experience of ESG-related topics, including competencies in human rights and child protection, and the other members' experience includes tenure on ESG committees, risk management and oversight of business ethics in other Boards.

The Governance and Sustainability Committee, like the Board and each of its permanent committees, conducts an annual self-assessment of its role and effectiveness, providing members with the opportunity to reflect on their individual and collective performance. The results of this assessment are then communicated to the Board to reinforce competencies on ESG matters.

In addition to the Governance and Sustainability Committee's mandate, the Board's Audit Committee oversees the adequacy and effectiveness of risk management practices within the Group. These include risk management practices for ESG risks. The Audit Committee examines and reviews the adequacy, effectiveness and integrity of the practices to ensure the Group's compliance with all applicable laws and regulations and ensure compliance with Richemont's Standards of Business Conduct.

The Chief Sustainability Officer is a permanent attendee of the G&SC and a member of the Senior Executive Committee (SEC), the executive management body of Richemont responsible for overseeing the management of ESG performance and reporting.

Group Sustainability is integrated within the Finance Division, with the Chief Sustainability Officer, reporting into the Chief Finance Officer (CFO). The Chief Sustainability Officer leads the Group Sustainability team, which connects with more than 100 sustainability leaders from various Maisons, regions and functions. This community meets every year, with regular contacts in between to ensure alignment to the Group's latest ESG standards and requirements. The majority of Maisons, regions and functions have now created their own ESG Governance aligning what they are already doing with the Group ESG Management System.

# Policies

Richemont's Standards of Business Conduct set the standards for employee behaviour and guide the development of all Group policies. The Supplier Code of Conduct (SCoC), Environmental Code of Conduct and Data Privacy Policy are well-established policies that support the ESG Management System. This year the Human Rights Statement was published.

The Richemont Human Rights Statement, reflects the Group's longstanding fundamental principles of respecting the human rights of all people across the business and value chain, including employees, customers, investors, partners and suppliers. This aligns with the United Nations Guiding Principles on Business and Human Rights, and the Principles of the United Nations Global Compact (UNGC), to which Richemont is a participant.

More details on our Human Rights statement are covered in the Sustainability Governance chapter. Further details on how Richemont embeds its policy commitments across its supply chain are described within the Influencing our Supply Chain chapter.

# Committees and Taskforces

The Group has multiple specialised committees and taskforces that address ESG topics. These committees cover, among others, the topics related to supply chain, health and safety, environment, and human rights. More information on these committees is described in the Acting on our Social Impact, Influencing our Supply Chain, and Sustainability Governance chapters.

**The Committee comprises four independent non-executive directors**

Jasmine Whitbread

Clay Brendish

Wendy Luhabe

Guillaume Pictet

## Materiality Assessment

Undertaking a Materiality Assessment in FY23 allowed Richemont to understand what matters most to its large and diverse group of stakeholders and has helped build an ESG Management System that focuses resources on the material topics identified.

Based on the double materiality principle, Richemont's latest materiality assessment gathered insights into its impacts on business, people and the environment. In turn, these insights helped shape priorities to define the group's future actions. Stakeholder groups, their interests and how the Group engages with them are presented in the stakeholder mapping table included at the end of this chapter.

## ESG Risk and Opportunity Assessment

This year the Group undertook its first ESG ROA that builds on the material ESG topics impacting Richemont and its stakeholders. This is highlighted in the Materiality Assessment, and aims to identify, prioritise and contextualise ESG-related risks and opportunities. The ROA process aligns with the ESG risks in the Group Enterprise Risk Management (ERM) and equally, the ROA results feed into the Group ERM. It is designed to comply with increasingly stringent ESG reporting requirements, including those of the Swiss Code of Obligations (Art. 964a-c). More detail on the methodology guiding Richemont's ROA and the outcome of the assessment is covered in the ESG Risk Management section.

## ESG Due Diligence

Due diligence is a key part of the supply chain management and human rights framework. In line with the requirement of Art. 964j-l of the Swiss Code of Obligations, due diligence on child labour is set as a priority. The Influencing our Supply Chain chapter covers more details on the due diligence processes the Group follows in supply chain management. Furthermore, the due diligence processes for human rights can be found in the Sustainability Governance chapter.

## Stakeholder Engagement

Richemont has a broad range of stakeholders and engages with them in a variety of ways, from surveys for employee feedback, to investor meetings and membership of industry bodies. The Materiality Assessment process is driven by comprehensive stakeholder engagement. Social impact and community support are material topics for Richemont. Community investment nurtures talent, promotes sports and sportsmanship and contributes to environmental conservation and peace building as outlined on the Group website. More details are available in the Richemont Annual Report and Accounts 2024.

## Training and Capacity Building

Building internal capacity and knowledge is essential to embedding sustainability in the Richemont culture, enabling the Group to respond to a constantly shifting marketplace and regulatory landscape.

In FY24, the Richemont Sustainability Online Academy was launched, a Group-wide training programme that coordinates capacity development activities under one umbrella. The goal of the Academy is to equip everyone within the Group with the right tools and opportunities to grow their ESG technical understanding. From beginners to sustainability practitioners, the Academy aims to raise awareness, build competencies and deliver expertise.

## Reporting

The Non-Financial Report is prepared in accordance with the Global Reporting Initiative (GRI) Standards. Effective ESG reporting provides crucial insights to aid decision making and increase transparency to meet the expectations of internal and external stakeholders. The reporting requirements of the Swiss Code of Obligations (Art. 964 a-c and Art. 964l) have been addressed in this year's Report. In terms of approval, the report on Non-financial matters is to be approved by the Board of Directors. While the G&SC has the primary Non-financial reporting oversight, the validation of the Non-Financial Report (for final approval by the Board of Directors) is assigned to the Audit Committee, which will enable it to leverage its financial disclosure oversight expertise, and ultimately make the recommendation to the Board.

In addition, the international standards and principles of the UN Sustainable Development Goals (SDGs) and the ten principles of the UN Global Compact, remain Richemont's compass guiding its approach.

## Speak Up Platform

This year the Group progressed in the roll-out of the Speak Up Platform which was initially launched in June 2022. It forms an essential part of the Group's ethical standards. The platform allows employees and any third party to report any concerns via telephone or an online form, with an option for anonymity. This year it was extended to include the possibility for third parties, such as suppliers, to report concerns about unethical and illegal behaviour. More details on this platform are included in the Sustainability Governance chapter.

# Standards of Business Conduct

The Group's revised Standards of Business Conduct (the 'Standards') were introduced in September 2021 and updated in November 2022, with a heightened focus on ethical and sustainable principles. Richemont's Standards of Business Conduct are available in the Sustainability page of the Group's website under 'Reports & Policies'.

The Standards approved by the Governance and Sustainability Committee of the Board act as a foundation for the Group's culture and guides legal, ethical and sustainable decisions in all countries where the Group operates. The document is available on the Richemont website and internally on the Group's intranet.

The Standards of Business Conduct apply to everyone who represents the Group. This includes employees, directors, temporary staff, contractors, agents, consultants and business partners. The Standards of Business Conduct provide guidance in any situation, even in circumstances not explicitly covered. Standards are reviewed every three years to ensure that they continue to evolve with the global, ethical and legal standards expected of the Group and they have been developed with consideration of emerging regulations.

The standards and the results of the Materiality Assessment help prioritise the most pertinent ESG topics. Policies and actions are aligned with the expectations of stakeholders and the ethical and legal standards of the communities where Richemont operates.

Integrity is one of the core values at Richemont: Richemont values people who cherish respect and value transparency and honesty. A global comprehensive compliance programme drives towards compliance with applicable laws and regulations.

During the reporting period 1 April 2023 to 31 March 2024 (the 'reporting period') no final decision was adopted against Richemont companies alleging significant instances (significant being defined as cases with a fine or monetary penalty above CHF 100 000) of wrongdoing in the areas of anti-trust, anti-corruption, anti-money-laundering or data privacy. These are the areas of compliance considered most important in light of Richemont's risk profile and exposure as summarised in the Enterprise Risk Report. During the reporting period, it was also confirmed no final decision was adopted against Richemont companies alleging significant breaches of applicable product and labelling laws.

| The Standards are divided into five pillars: | |
|---|---|
| **Creating the Right Environment for Employees** | Featuring sections on Diversity & Inclusion, Working Environment & Behaviour and Health & Safety (H&S). |
| **Promoting Transparency and Integrity in Decision-Making** | Including sections on Conflicts of Interest, Anti-bribery & Corruption, Gifts, Hospitality & Other Benefits, Charitable Contributions, Political Participation, Anti-Money Laundering and Transparency in Accounting & Contracts. |
| **Maintaining the Trust of Clients and Stakeholders** | Covering sections on Protection & Use of Group Assets, Confidentiality & Protection of Information, Insider Dealing & Market Abuse, Competition and Anti-trust, Data Protection & Privacy and Social Media & Social Messaging. |
| **Preparing for a Sustainable Future** | Addressing sections on Trade in Products, Environmental Protection, Human Rights and Working Towards a Responsible Supply Chain. |
| **Speaking up & Enforcing our Values** | Any individual who suspects misconduct within the Group and/or its Maisons is encouraged to raise their concern in confidence through the Richemont Speak Up Platform. |

# Materiality Assessment

Materiality is the foundation of Richemont's ESG agenda. It clearly identifies the areas that are most important to stakeholders, it helps set priorities and informs decision-making.

## Double Materiality

The principle of double materiality was applied in the most recent Materiality Assessment in FY23. This principle requires assessing the actual and potential impacts, not only limited to the financial materiality of ESG factors (e.g. the financial effects of climate change on Richemont), but also taking into account the impact of Richemont on people and the environment. The results of the ROA process reinforced risk priorities, impacts and opportunities gathered through the Materiality Assessment.

In FY23, the Materiality Assessment also identified the scope and scale of the impacts and likelihood of their occurrence and determined the importance that stakeholders assign to the topics.

## Methodology Overview

Richemont engages with its stakeholders regularly to understand which ESG topics matter the most to them. These stakeholders include, but are not limited to, business leaders across Richemont's Maisons, regions and functions, Non-Government Organisations (NGOs), industry associations, academics, sustainability experts, suppliers, shareholders and customers. The selection of external stakeholders was made in consultation with Maisons, regions and functions.

This process ensures the delivery of a data-driven materiality assessment, with the engagement ensuring its objectivity.

### Step 1

**Identification and Validation of ESG Topics**

Information is collected from diverse sources, including Richemont's previously identified material topics, benchmark analysis, luxury retail databases, ESG standards, ESG investor topics and ratings requirements. The internal Steering Committee that oversees the Materiality Assessment is coordinated by the Group Sustainability team and comprised of 23 Richemont employees. It reviews and validates the information, resulting in a final list of **21 ESG topics**, with around **100 sub-topics**.

### Step 2

**Clustering of ESG Topics**

The 21 ESG topics are grouped into clusters: environmental sustainability; social sustainability; governance and economic sustainability; and value chain and supply chain sustainability. Four categories are used, providing a framework for evaluating the materiality of ESG topics. These categories are:

- **impact on people and/or the environment;**
- **impact on business;**
- **stakeholder relevance; and**
- **dynamics of the materiality and possible evolution.**

### Step 3

**Data and Insights Collection**

A variety of data collection methods are employed, including interviews with **62 stakeholders**, a survey of **640 stakeholders** and a **shareholder survey with 37 respondents**. Additional research of external public sources and databases was also considered. This comprehensive data is compiled to identify, contextualise and prioritise the 21 material topics.

### Step 4

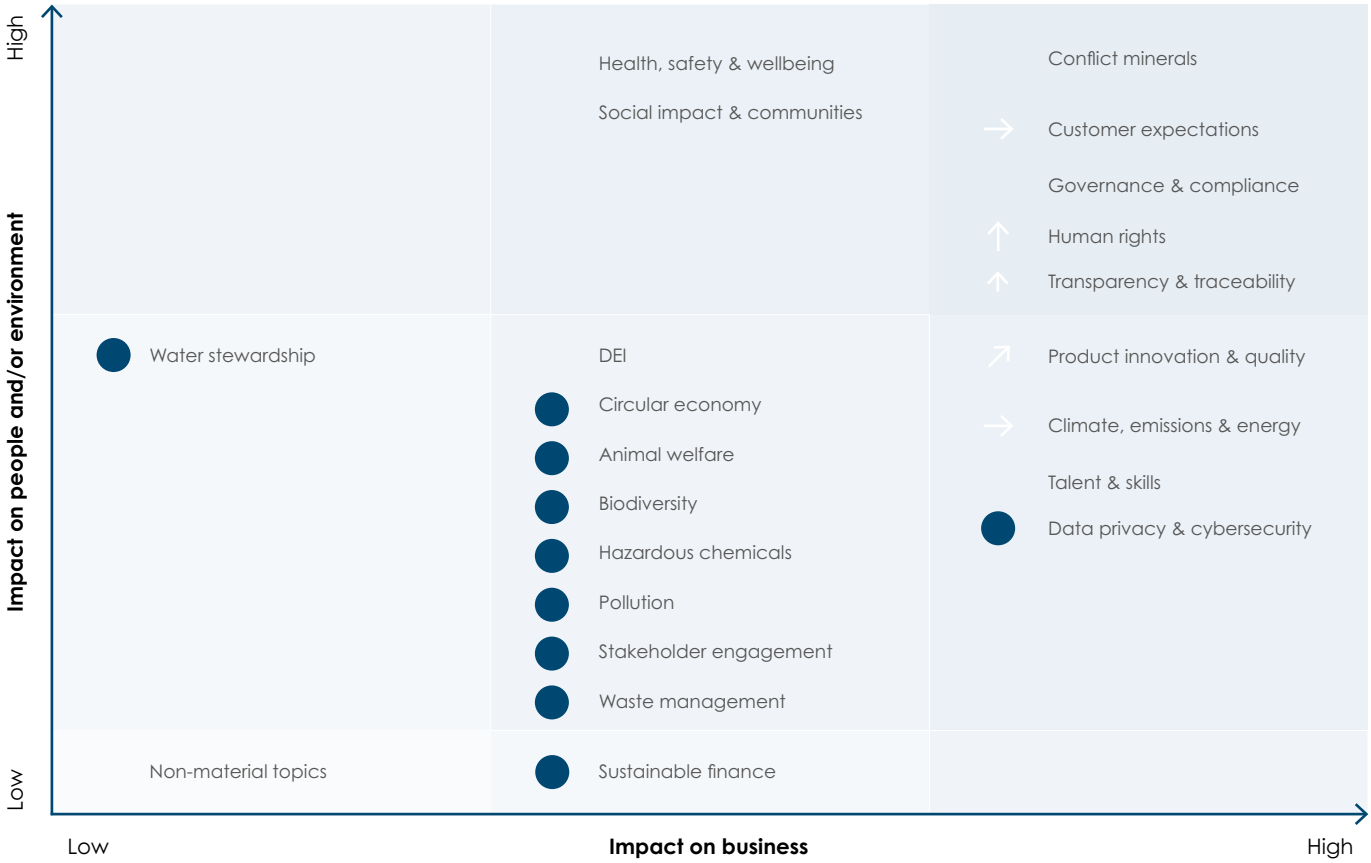
**Development and Validation**

A detailed data analysis is conducted. **The SEC, and the G&SC of the Board then validate the results.** These diverse stakeholder perspectives are taken into account in Richemont's ESG priorities.

# Outcome

The process and findings of the Materiality Assessment provided a unique insight into the important topics on the minds of internal and external stakeholders.

For further insight, a correlation table linking material topics to GRI indicators can be found in the GRI Correlation Table available in the Basis of Preparation, which is available on the Group's website.



Bubble size: Relevance to stakeholders

↑ Significant increase in impact on people and/or environment expected

→ Significant increase in impact on business expected

↗ Significant increase in impact on people and/or environment and on business expected

Topics in fields sorted first by relevance to stakeholders (i.e., bubble size) and then alphabetically

# Focus on Richemont's Material Topics

**Conflict minerals**
Richemont management systems and policies, such as responsible sourcing standards, supply chain due diligence and established management practices, govern the sourcing of minerals, including precious metals, diamonds and coloured gemstones. For more information see Influencing our Supply chain chapter.

**Customer expectations and satisfaction**
Through its ESG Management System and its policies and action plans, Richemont is embedding practices that aim to ensure Richemont's creations are of the highest standards and meet customers' social, environmental and ethical expectations. For more information see Sustainability Governance chapter.

**Governance, ethics and compliance**
Ethical corporate citizenship and adherence to an evolving regulatory landscape, including ongoing transparency related to ESG performance, anti-bribery and corruption, and business ethics, are fundamental to Richemont. For more information see Sustainability Governance chapter.

**Human rights and labour standards across the value chain**
Respecting human rights and labour standards is a priority throughout Richemont's value chain and it is addressed through the Group's Supplier Code of Conduct and due diligence processes. For more information see Sustainability Governance chapter.

**Transparency and traceability of raw materials**
Ensuring the transparency and traceability of the raw materials in Richemont's value chain is highly important to enable monitoring and continuous improvement. Richemont makes the best endeavour to apply risk management and due diligence processes throughout its supply chain. For more information see Influencing our Supply Chain chapter.

**Product innovation, creativity and quality**
Richemont supports the advancement of creative and innovative materials, anti-counterfeiting measures and reliable quality to meet business and customer expectations. For more information see Sustainability Governance chapter.

**Climate, emissions and energy**
Richemont is working towards a consistent reduction of emissions, water use and waste. The most substantial Scope 3 emissions arise from suppliers within the value chain, hence engagement with suppliers being a key enabler to mitigate impacts. For more information see Acting on our Environmental Impact chapter.

**Talent attraction and skills development**
Richemont's sustained success and competitiveness is reliant on nurturing new generations of artisans and craftsmen with unique skills and know-how. This is particularly relevant to the Watchmaking and Jewellery Maisons, which Richemont supports through its academic partnerships, apprenticeships, and Creative Academy. For more information see Acting on our Social Impact and Sustainability Governance chapters.

**Data privacy and cybersecurity**
Richemont takes the responsible and lawful management, handling and safeguarding of all customer, employee and supplier data seriously as outlined in its data protection policies and procedures. For more information see Sustainability Governance chapter.

**Health, safety and wellbeing in own operations**
The health and safety of Richemont's employees, as well as workplace benefits and culture, are of great importance to the Group and covered by the Health and Safety Management System. For more information see Acting on our Social Impact chapter.

**Social impact and community support**
Continued engagement with local communities, regulators and industry bodies is fundamental given the global reach of Richemont's operations. For more information see Annual Report and Accounts 2024.

# ESG Risk Management

As outlined at the beginning of this report, Richemont's ESG Management System includes a risk management framework that facilitates ESG performance management and promotes regulatory compliance.

The accompanying chart illustrates a key milestone achieved: the development of a specialised tool and handbook. This resource is engineered to standardise and enhance the ESG risk identification and assessment approach, fostering a unified language and understanding across the organisation.

As illustrated in the ESG ROA Process overview, this methodology encompasses four stages: Identification, Prioritisation, Assessment, and Mitigation, each contributing to the integration of ESG considerations into the Group's core operations.

**ESG ROA Process Overview**

| Phase | Identification of ESG-related risks and opportunities | Prioritisation of ESG-related risks and opportunities | Assessment of prioritised ESG-related risks and opportunities | Development and monitoring of mitigation strategies of prioritised risks |
|---|---|---|---|---|
| Activities | Development and update of ESG Risk and Opportunity Register, classified by TCFD category and material (sub-)topic | Ranking and selection of risks and opportunities for further assessment based on total net score and defined threshold | Qualitative assessment of prioritised risk<br><br>Quantitative assessment of selected risks and scenario analysis of climate-related risks | Development of detailed action plans for risks to be reported to ERM and regular progress updates |
| Output | ESG ROA tool | | Assessments & Handbook | |

## Identification of ESG Risks and Opportunities

A wide-ranging consultation across Maisons, regions and functions has been undertaken, gathering insights on the key ESG risks and opportunities. This collaborative effort has led to the compilation of a comprehensive list, categorised according to the Task Force on Climate-related Financial Disclosures (TCFD) framework and the Materiality Assessment topics.

## Prioritisation of ESG Risks and Opportunities

Utilising a systematic calculation logic based on the interview scoring, risks and opportunities are ranked. The methodology incorporates a weighting mechanism based on annual revenue contributions by region and business area, allowing prioritisation. This rationale aligns with the materiality assessment and guides the escalation process to the ERM.

## Qualitative and Quantitative Assessment

Prioritised risks and opportunities undergo a detailed analysis to contextualise their impact, underlying drivers, current mitigation efforts and potential action plans. This stage leverages both internal and external data sources to enrich understanding and ensure the accuracy and relevance of the assessments. For climate-related risks, the process foresees a scenario analysis, which evaluates potential impacts based on predefined global warming scenarios.

## Development and Monitoring of Mitigation Strategies

The culmination of this process is the formulation of targeted action plans designed to mitigate identified risks and capitalise on opportunities. These strategies are monitored, and progress is reported through the ERM.

The first assessment included 31 interviews conducted across different Maisons, regions and functions. Through the interviews and the analysis of supporting documentation originating from internal and external sources (e.g. reports of the CDP, Intergovernmental Panel on Climate Change, World Resources Institute, Worldwide Fund for Nature, World Economic Forum), 49 ESG risks and 14 opportunities have been identified, out of which 13 risks and 8 opportunities were identified as priorities.

Examples of some relevant risks and opportunities are provided in the table below.

| Risk/Opportunity | ESG Topic | TCFD | Risk Mitigation Measures – Reference to Report chapter |
|---|---|---|---|
| **Environment** | | | |
| **Risk** | | | |
| Long-term climate shifts and more frequent extreme weather events | Climate, emissions and energy | Physical | Acting on our Environmental Impact – Working to Address Environmental Challenges |
| Water scarcity along the supply chain | Climate, emissions and energy | Physical | Acting on our Environmental Impact – Freshwater Stewardship |
| **Opportunity** | | | |
| Support environmental performance | Climate, emissions and energy | Resilience | Acting on our Environmental Impact |
| Support the achievement of SBT targets through supplier engagement | Climate, emissions and energy | Resilience | Acting on our Environmental Impact |
| **Social** | | | |
| **Risk** | | | |
| Human rights and labour standards violations in the Group's supply chains | Human Rights and labour standards across the value chain | Reputation | Influencing our Supply Chain; Sustainability Governance – Business and Human Rights |
| Failing retention and creation of talent pipeline | Talent attraction and skill development | Market | Acting on our Social Impact – Being an Attractive Employer, Fostering Human Capital Development |
| **Opportunity** | | | |
| Increase supply chain transparency | Human Rights and labour standards across the value chain | Reputation | Influencing our Supply Chain; Sustainability Governance – Business and Human Rights |
| Invest into craftsmanship talent | Talent attraction and skill development | Resilience | Acting on Social Impact – Fostering Human Capital Development |
| **Governance** | | | |
| **Risk** | | | |
| Bribery, corruption or money laundering accusations | Governance, ethics and compliance | Policy and legal | Sustainability Governance – Promoting Transparency and Integrity |
| Unsupported environmental claims | Customer expectations and satisfaction | Policy and legal | Sustainability Governance – Maintaining the Trust of Clients and Stakeholders |
| **Opportunity** | | | |
| Bring the Standards of Business Conduct to life | Governance, ethics and compliance | Policy and legal | Introduction – Standard of Business Conduct |
| Foster science based innovation | Customer expectations and satisfaction | Policy and legal | Sustainability Governance – Maintaining the Trust of Clients and Stakeholders |

# Stakeholder Management

Listening to the needs of Richemont's stakeholders and their expectations enables the Group to shape its approach to sustainability, taking their views into account.

Richemont regularly engages with its stakeholders in a variety of ways as outlined in the table below. Furthermore, the following chapters detail how the Group engages with different stakeholders on ESG topics and seeks to ensure meaningful engagement.

The Group has evolved and strengthened engagement processes and mapping for each stakeholder group throughout FY24. The Stakeholder Map below explains why and how Richemont engages with each category of stakeholder and links to their respective relevant material topics.

## Stakeholder Map

| Stakeholders | WHY we engage | HOW we engage | MOST relevant material topics |
|---|---|---|---|
| **Customers** | To understand expectations of quality and ESG standards consistent with luxury purchases, and to support their relationship with the Maisons and requirements for a personalised customer experience | Boutiques networks, events, Watches and Wonders, Group publications, Maisons websites and social media | Customer expectations and satisfaction; Product innovation and quality; Data privacy and cybersecurity; Circular economy; Animal welfare |
| **People** | To support their wellbeing, health and safety, training, skills development, Diversity, Equity and Inclusion (DEI), fair working conditions | Internal communications, townhalls, events, training, annual reviews, #NeverStopLearning, Speak Up Platform, engagement surveys, Standards of Business Conduct, Human Rights Statement, Raw Materials Sourcing Policy, and other internal policies and statements | Talent attraction and skills development; Data privacy and cybersecurity; Health, safety and wellbeing in own operations; DEI; Hazardous chemicals; Human rights and labour standards across the value chain |
| **Financial sector** | To provide access to accurate and relevant information, to meet expectations on ESG disclosure and to comply with regulatory requirements | Regular dialogue with investors, analysts and shareholders, Annual General Meetings, investor roadshows, Richemont corporate website, Ratings agencies questionnaires, Annual Report and Non-Financial Report | All |
| **Senior Management** | To understand their strategic insights and to manage ESG-related risks and compliance requirements | Board of Directors, Committees, Taskforces, SEC, Townhalls, Annual Global Management Conference | All |

# Stakeholder Map continued

| Stakeholders | WHY we engage | HOW we engage | MOST relevant material topics |
|---|---|---|---|
| **Business partners and suppliers** | To provide support engagement and capacity building across the supply chain, and to ensure compliance with payment terms, contracts and Supplier Code of Conduct (SCoC) | Internal policies, SCoC, Human Rights Statement, Raw Material Sourcing Policy, Procurement Policies, Speak Up Platform, audits and on-site visits, industry certification bodies, RJC, prevention, mitigation and remediation action plans | Human rights and labour standards across the value chain; Transparency and traceability of raw materials; Climate, emissions and energy; Data privacy and cybersecurity; Social impact and community support; Water stewardship; Circular economy; Animal welfare; Biodiversity; Hazardous chemicals; Pollution; Stakeholder engagement; Waste management |
| **Academic Partners** | To provide support for preserving craftsmanship, creating pathways into the Maisons, and mentoring and coaching | Creative programmes in fashion, jewellery and watchmaking, such as Creative Academy and Scuola Orafa Ambrosiana, sponsorships and scholarships | Talent attraction and skills development |
| **Media** | To build trust and credibility, to share consistent and fact-based information | Social media, Group and Maisons publications, Group and Maisons websites, relationships with the press | DEI; Human rights and labour standards across the value chain; Climate, emissions and energy |
| **Civil society** | To support local economies and communities, to have a positive impact on society, and to reduce environmental impact | Support for local projects and charitable foundations, financial sponsorship, Group publications; Group, Maisons and Foundations websites, partnerships with NGOs and in the United Nations Global Compact (UNGC) | Biodiversity; Animal welfare; Human rights and labour standards across the value chain; Social impact and community support; Talent attraction and skills development |
| **Regulatory bodies** | To understand, observe and comply with current and upcoming laws and regulations | Publication of regulatory information and communications, dialogue with governments and international bodies (ILO, UNICEF), Group and Maison membership in fashion and luxury industry organisations | Governance ethics & compliance; Human rights and labour standards across the value chain; Biodiversity; Animal welfare; Pollution; Hazardous chemicals; Health, safety and wellbeing across the value chain; Data privacy and cybersecurity; Climate, emissions and energy; Waste management |
| **Industry** | To work with industry members and encourage cooperation on matters of public interest, to raise awareness of common issues, and to drive change | Participation in industry groups and initiatives, involvement in specialist working groups, such as Leather Working Group (LWG), Coloured Gemstones Working Group (CGWG)<br><br>Since 2022, several Richemont's Maisons are members of the Watch & Jewellery Initiative 2030 (W&JI). This association aims to unite Watch & Jewellery industry players around Sustainability projects that deliver impact all along the value chain | Transparency and traceability of raw materials; Human rights and labour standards across the value chain; Governance, ethics and compliance; Customer expectations and satisfaction |

# Acting on our Environmental Impact

# Introduction

Richemont continually strives to manage and reduce the environmental impact from its operations and supply chains. The Group is strengthening its capacity to address the material environmental topics identified by the Materiality Assessment undertaken in FY23, which were further underpinned by the Group's ESG Risk and Opportunity Assessment (ROA) conducted in FY24.

As an illustration of its commitment, in 2023, Richemont was recognised by the CDP for its environmental performance, receiving an A- score for climate change. The Group's water security scored C in this year's CDP assessment, in view of increasingly stringent expectations reflected in the updated Water Security 2023 Questionnaire. Further information is provided in the Freshwater Stewardship section.

Richemont is also committed to reducing its greenhouse gas emissions in line with Science-Based Reduction Targets for 2025 and 2030, which were validated by the Science Based Targets Initiative (SBTi) in 2021. The progress towards these targets is shown in the following table.

**Targets & 2023 Performance***

| TARGET 2025 | BASE YEAR 2019 | STATUS IN 2022 | STATUS IN 2023 |
|---|---|---|---|
| Increase annual sourcing of renewable electricity to 100%. | 63%** | 97% | 97% |
| 20% of Richemont suppliers by emissions covering purchased goods and services and upstream transportation and distribution will have SBTs. | 9%** | 15%** | 18% |
| **TARGET 2030** | | | |
| Reduce absolute Scope 1 and 2 GHG emissions by 46%. | 60 $ktCO_2e$ | 19 $ktCO_2e$ | 19 $ktCO_2e$ |
| Reduce Scope 3 GHG emissions from purchased goods and services and business travel by 55% per dollar value added. | 161** $tCO_2e/\$m$ | 144** $tCO_2e/\$m$ | 132 $tCO_2e/\$m$ |

* Including YNAP ** Restated figures

To ensure the appropriate level of oversight, the Chief Sustainability Officer supervises the management of environmental topics, supported by a dedicated in-house team. The Group's Environmental Code of Conduct, together with the Supplier Code of Conduct (SCoC), set the expectations for employees, suppliers and business partners to continuously contribute to improving Richemont's environmental performance.

This chapter provides an overview of Richemont's activities and their potential impact on the environment. The environmental challenges the Group faces are outlined in the Climate Mitigation, Biodiversity Conservation and Freshwater Stewardship sections. The chapter further details the solutions that the Group is developing to address its environmental footprint and can be found in the respective sections: Pollution Prevention and Control; Responsible Resource Use; Buildings Efficiency; Energy Management; Circularity; Waste Management.

Overall, in the course of 2023, Richemont continued to manage its environmental impacts through the predominant use of renewable energy across its operations and as a result of an increasing proportion of suppliers in its supply chains having adopted SBT targets. Scope 1 & 2 GHG emissions remained at last year levels, below the SBT target line. The intensity of Scope 3 emissions decreased mainly due to the Group's business growth.

# Climate Mitigation

This section outlines the Group's best efforts to mitigate its impact on climate by reducing emissions from its direct operations and its supply chains, while delivering on its Science Based Targets (SBTs).

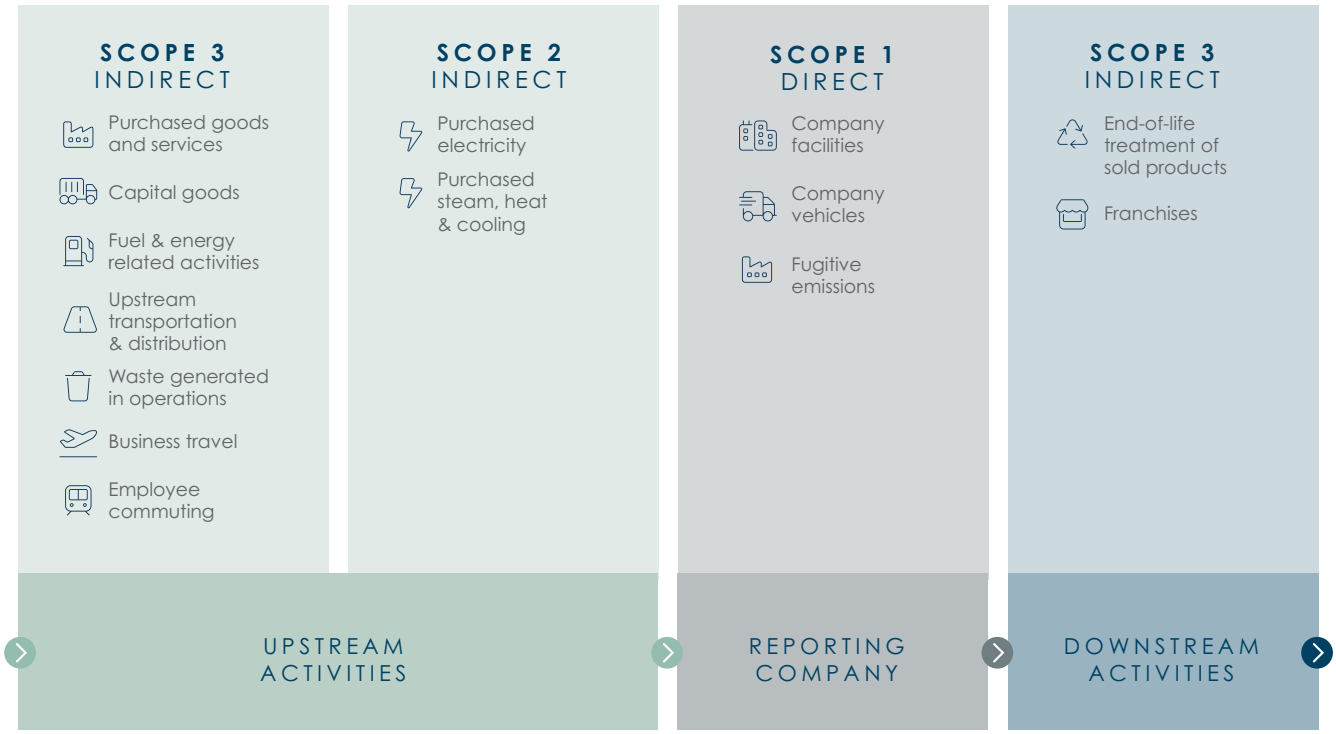
## Management Approach

As outlined in its Standards of Business Conduct, Richemont aims to reduce its GHG emissions in line with the SBTs validated in 2021.

For Scope 3 emissions, the SCoC requires Richemont's suppliers to measure, monitor and implement actions to reduce their GHG emissions.

The following diagram illustrates the material categories within Richemont's Scope 1, 2 and 3 emissions, including upstream and downstream activities.

**Overview of GHG Protocol Scopes and categories relevant to Richemont value chain**




Richemont has been tracking its Scope 1, Scope 2, Scope 3.4 (upstream transportation and distribution), and 3.6 (business travel) emissions for more than a decade. The carbon footprint across Richemont's value chain has been measured since 2020 (based on 2019 data in 2020) and the Group continues to assess this annually.

The Group set SBTs in line with a 1.5°C increase scenario and these were validated by the SBTi in 2021. After screening and assessing upstream and downstream activities, purchased goods and services (Scope 3.1), capital goods (Scope 3.2) and upstream transportation and distribution (Scope 3.4) were identified as the most material categories for Scope 3. More information on actions regarding Scope 3 emissions is available in the Performance section. Further details on the environmental reporting methodology are described in the separate document 'Basis of Preparation'.

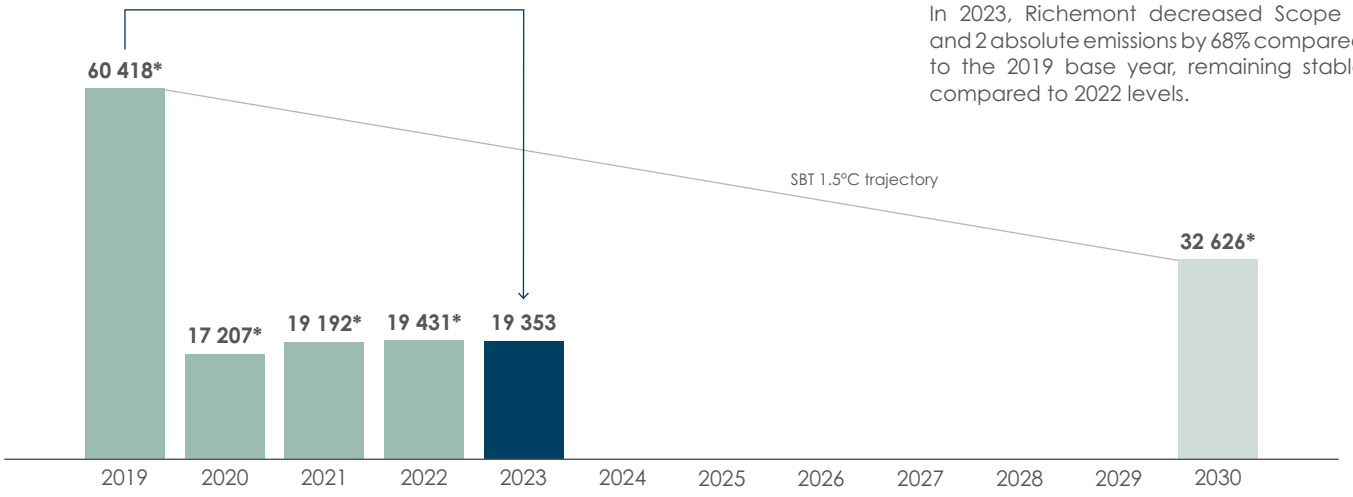
Richemont has taken multiple steps to reduce its energy consumption and switch to renewable sources of electricity for its own operations. The vast majority of Richemont's GHG emissions are Scope 3 and particularly upstream in the supply chain. Based on the identification of the most material Scope 3 categories, Richemont has been engaging with suppliers through the CDP Supply Chain Programme.

# Performance

**Performance against SBTs**

Richemont's SBTs aim to reduce absolute Scope 1 and 2 GHG emissions by 46% by 2030 from a 2019 base year. Within the same timeframe, Richemont is also targeting a reduction in Scope 3 GHG emissions of 55% per dollar value added for purchased goods and services and business travel. The Group has committed to 20% of its suppliers by emissions (covering purchased goods and services and upstream transportation and distribution) having SBTs by 2025.

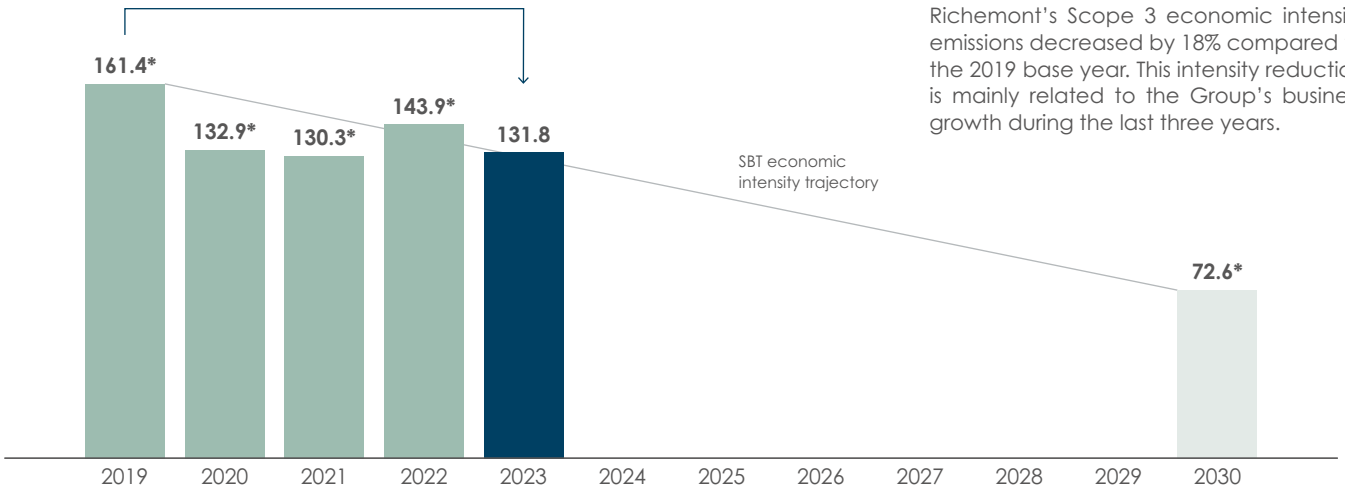
**Scope 1 & 2 absolute target ($tCO_2e$)**




In 2023, Richemont decreased Scope 1 and 2 absolute emissions by 68% compared to the 2019 base year, remaining stable compared to 2022 levels.

* Restated figure

**Scope 3 Economic Intensity target ($tCO_2e$/$m)**

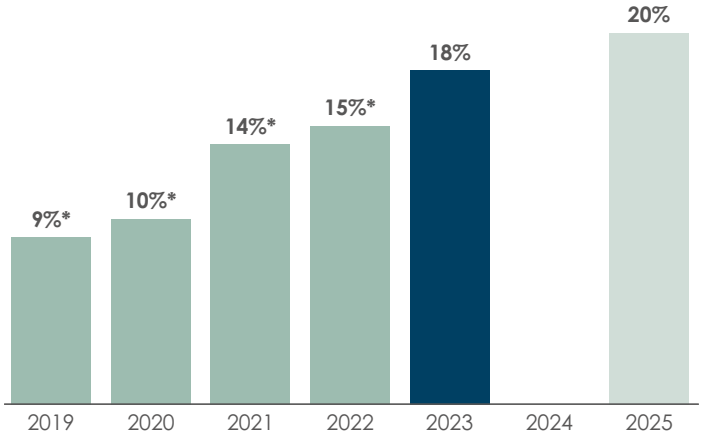



Richemont's Scope 3 economic intensity emissions decreased by 18% compared to the 2019 base year. This intensity reduction is mainly related to the Group's business growth during the last three years.

* Restated figure

In 2023, 18% of Richemont suppliers, in terms of emissions covering purchased goods and services and upstream transportation and distribution, set SBTs, a gradual increase since 2019.

**Percentage of Scope 3 emissions related to purchased goods and services and upstream transportation and distribution suppliers that have set SBTs**




* Restated figure

# GHG Emissions Performance

In 2023, Richemont's total GHG emissions amounted to 1 842 364 tonnes of carbon dioxide equivalents ($tCO_2e$), a level slightly below 2022. Additional detailed data on GHG emissions performance can be found in the Environmental Data Set section at the end of this chapter.

**Total GHG emissions by Scope**

| $ktCO_2e$ | CY2019 | CY2022 | CY2023 |
|---|---|---|---|
| Scope 1 | 15.8* | 14.5* | 15.0 |
| Scope 2 Market-Based | 44.6* | 4.9* | 4.4 |
| Scope 3 | 1 386.2* | 1 923.1* | 1 823.0 |
| **Total** | **1 446.6*** | **1 942.5*** | **1 842.4** |

* Restated figure

### Scope 1 emissions

In 2023, Richemont's Scope 1 emissions increased by 3% compared to 2022. This is primarily due to an increase in the number of company vehicles.

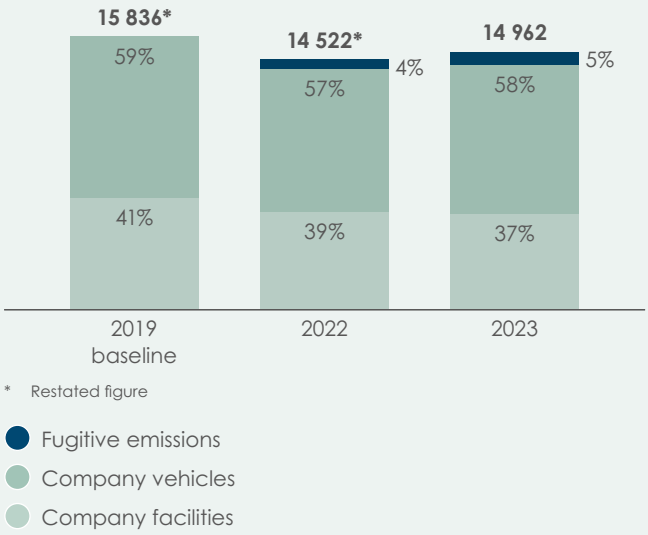
Company vehicles account for 58% of Scope 1 emissions and GHG emissions from combustion engines have increased by 4%.

Company facilities represent the second largest category of Scope 1 emissions, accounting for 37%. These decreased by 2% compared to 2022, as a result of various energy saving measures (e.g. heating reduction, building isolation measures or heat recovery from manufacturing processes) outlined in the Buildings Efficiency section of this chapter.

Fugitive emissions currently contribute 5% of the Group's Scope 1, up from 4% in 2022.

It should be noted that a recalculation of Scope 1 past year emissions was performed in relation to 2022 fugitive emissions figures, as a result of a refined data collection.

**Scope 1 $tCO_2e$ by year and by category**




* Restated figure

### Scope 2 emissions

Scope 2 market-based GHG emissions decreased by 11% compared to 2022. The table shows that Scope 2 emissions are split between purchased electricity and thermal networks, encompassing heat, steam, or cooling from district plants.

Purchased electricity represents 77% of Scope 2 market-based emissions with purchased heating, cooling and steam representing the remaining portion.

Detailed information on measures taken by the Group to reduce its electricity consumption and switch to renewable sources is described in the Energy Management and Buildings Efficiency subsections of the Working to Address Environmental Challenges section.

It should be noted that a recalculation of Scope 2 past year emissions was performed to correct an electricity amount in 2022 and to integrate supplier specific emission factors for thermal district networks for all years.

**Scope 2 $tCO_2e$ by year and by category**

| | CY2019 | CY2022 | CY2023 |
|---|---|---|---|
| % electricity | 97% | 83% | 77% |
| % heating, cooling and steam | 3% | 17% | 23% |
| **Total Scope 2 $tCO_2e$** | **44 582*** | **4 909*** | **4 391** |

* Restated figure

### Scope 3 emissions

Scope 3 emissions represent 99% of total GHG emissions, with the majority coming from purchased goods and services.

#### Scope 3 emissions by category

At 77%, purchased goods and services account for the largest part of the Group's Scope 3 emissions. The next two largest emission categories are upstream transportation and distribution and capital goods, which each account for 7% of Scope 3 emissions. The remaining Scope 3 categories represent less than 9% of the total Scope 3 emissions. In 2023, Scope 3 GHG emissions increased by 32% compared to the 2019 base year but decreased by 5% compared to the previous year. A breakdown of these emissions is provided below.

It should be noted that a recalculation of Scope 3 past year emissions was performed, incorporating Well-to-Wheel emission factors for Scopes 3.4 and 3.6, using an improved emission factor for sapphire glass and restating waste and raw material figures from 2022.

**Scope 3 emissions by category**

| $ktCO_2e$ | CY2019 | CY2022 | CY2023 |
|---|---|---|---|
| **Total Scope 3** | **1 386.2*** | **1 923.1*** | **1 823.0** |
| Purchased goods and services | 988.8* | 1 476.6* | 1 395.3 |
| Capital goods | 72.2 | 130.4* | 131.9 |
| Fuel and energy-related activities | 12.9 | 19.3* | 20.0 |
| Upstream transportation and distribution | 186.9* | 193.9* | 133.1 |
| Waste generated in operations | 3.3* | 1.5 | 2.1 |
| Business travel | 64.9* | 47.2* | 86.4 |
| Employee commuting | 32.5 | 25.8 | 26.1 |
| End-of-life treatment of sold products | 2.7* | 5.5* | 4.9 |
| Franchises | 22.1 | 22.9 | 23.2 |

* Restated figures

### Actions on Scope 3

#### Scope 3.1 Purchased goods and services

Emissions from purchased goods and services decreased by 6%.

The majority of Richemont's watchmaking Maisons conducted lifecycle assessments to identify emission hotspots. As an example, based on this assessment result, to reduce their carbon footprint Panerai decided to have a portion of the sapphire glass needed for their creations manufactured using low carbon electricity sources.

#### Scope 3.2 Capital goods

Emissions from capital goods increased by 1% compared to 2022, driven by investments growth.

#### Scope 3.4 Upstream transportation and distribution

A Group level project on Point of Sales Materials (POSM) and packaging was implemented to reduce $CO_2e$ emissions by continuously looking for alternative modes of transport and packaging innovation.

In 2023, upstream transportation and distribution declined by 31% compared to 2022. This is mainly the result of a shift from air freight to shipping by sea and lower volumes observed in certain product categories.

# Biodiversity Conservation

Richemont is developing its understanding of ecosystem impacts and dependencies it has on ecosystem services provided by nature.

This section describes the Group's approach to biodiversity conservation, and its methodology in risk screening, assessment and mitigation.

## Management Approach

The Group's Environmental Code of Conduct and Supplier Code of Conduct set out principles that guide biodiversity management practices. Furthermore, the SCoC explicitly requires suppliers to prevent and mitigate their impact on biodiversity.

Biodiversity upskilling has been a focus for the Governance and Sustainability Committee of the Board with training held in November 2023. This session elaborated on the five pressures (land-use and land-use change; natural resource use and exploitation; climate change; pollution; and invasive alien species) on biodiversity loss and its interdependence with climate change and human rights.

The Group complies with international and local regulations and aligns with the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Richemont has put in place an internal database that lists the trade protection status of all animal and plant species in its supply chain (e.g., trade bans and other trade limitations), as well as other types of compulsory requirements, such as labelling on derivative products.

In 2021, the Group joined the International Crocodilian Farmers Association (ICFA), which sets standards for crocodilian farming practices. Additional details are provided in the Leather section of the Influencing our Supply Chain chapter.

## Biodiversity Screening

Richemont conducted an initial biodiversity screening to determine the Group's biodiversity impact and identify high priority risks and opportunities across its supply chains. This analysis primarily concentrated on the most sourced commodities. It evaluated the potential impacts on biodiversity and ecosystems, based on the five pressures that cause biodiversity loss.

## Land-use Assessment

In June 2023, based on the results of the above-mentioned biodiversity screening, Richemont conducted a footprint analysis to estimate the land-use of the Group's supply chain. This was carried out in partnership with external biodiversity experts using the Biodiversity Extent Condition and Significance (BECS) methodology. Results indicated that the largest land-use impacts come from agri-based materials, in particular livestock commodities. Materials mined by third parties represent a smaller part of the land-use footprint.

## Actions on our Direct Operations

In early 2024, Richemont conducted a risk assessment of its owned sites, including office buildings and manufacturing facilities. It helped identify next steps in direct operations with regards to the sites' impact on biodiversity and to determine opportunities to protect or restore ecosystems.

Some sites have already taken actions, such as Richemont's Villars-sur-Glâne campus, where a biologist oversaw the planting of 2 000 square metres of grassland. Richemont has four Swiss sites that are certified by the Nature & Economy Foundation, which awards companies that make an important contribution to the preservation of natural biodiversity and quality of life, particularly in industrial and commercial areas. IWC Schaffhausen received its certification in September 2023.

Beyond our direct operations, in September 2022, IWC Schaffhausen launched the pilot phase of a 'Posidonia restoration' project that supports pioneering scientific experimental methods to help engineer the recovery of the marine ecosystem in Costa Brava, Spain.

# Freshwater Stewardship

Richemont is committed to responsible water management practices as it relies on freshwater at multiple stages of its supply chain, such as during extraction, refining, production, product use and product end of life.

This section describes the approach to water management and provides an assessment of water-related risks throughout the business and the water stewardship efforts undertaken to ensure responsible planning and management of water resources.

## Management Approach

The Environmental Code of Conduct guides the Group's approach on water and enables enhanced management of water-related risks in its operations, while the SCoC requires all the Group's suppliers to follow sustainable water management practices. These practices include collecting and recording water withdrawal data, establishing plans and targets to reduce consumption, as well as treating waste water to respect local legislation, prevent pollution and minimise adverse impacts on the local community.

The Group's water stewardship efforts are focused on operations under its direct control, such as offices, manufactures, warehouses, boutiques, and services centres. Most of the water consumption in Richemont's direct operations occurs in locations which are not affected by water stress. A large quantity of surface water withdrawn is returned to its source, after being used to improve the energy efficiency of some of the Group's manufacturing sites in Switzerland.

The majority of the Group's water withdrawal comes from facilities located in Italy, France and Switzerland, where high-quality freshwater is readily available with minimal treatment. Although this has a relatively low environmental impact in areas with low levels of water stress today, the Group has been monitoring its water withdrawal for several years. Specifically, the Group has conducted a study using three different measures (water stress, water depletion, and blue water scarcity) with open data sources, such as the WRI Aqueduct, to identify the number and type of owned buildings (offices, manufactures, warehouses, boutiques, and services centres) located in water stressed areas. This approach follows the State of Nature (SoN) assessment methodology for water availability.

Water safety compliance is assessed through the same platform as the Group's other Health, Safety and Environmental (HSE) requirements, see the Acting on our Social Impact chapter for more details. Local legislation guides the monitoring of water withdrawals and discharges. In the event of a water-related incident, thorough investigations are conducted and any appropriate remedial actions taken.

## Performance

In 2023, water withdrawals increased by 30% in absolute quantities compared to 2022. This increase concerns all sources of water used at Richemont. The Group collects freshwater withdrawal separately from different types of reservoirs, including:

- Municipal water, provided by the city;
- Ground water, held in aquifers and that can be recovered from an underground formation;
- Surface water, occurring naturally on the Earth's surface in lakes, rainwater, rivers and streams;
- Produced water, entering the Group's scope because of extraction, processing or any use of raw material, and therefore must be managed by the business.

The largest quantity of withdrawals comes from surface waters as several of Richemont's manufactures in Switzerland withdraw water from nearby rivers with the sole purpose of extracting calories through a heat pump. All this water is immediately sent back to its source. Most freshwater withdrawals for other types of uses in the Group's activities originate from municipal water.

**Water withdrawal by source in cubic metres**

| Water source ($m^3$) | CY2019 | CY2022 | CY2023 |
|---|---|---|---|
| Municipal water | 621 049 | 652 859 | 801 060 |
| Groundwater | 396 892* | 297 376* | 460 278 |
| Surface water | 1 525 069* | 1 132 021* | 1 437 225 |
| Produced water | n/a** | n/a** | 0 |
| Sea water | n/a** | 0 | 0 |
| **Total water withdrawal** | **2 543 010*** | **2 082 256*** | **2 698 563** |

* Restated figures
** n/a refers to the unavailability of data during the reporting period

It should be noted that a recalculation of past water withdrawals was performed to account for surface water withdrawals used for heating and cooling purposes.

In addition to measuring its water withdrawal, the Group evaluated the water risk of its own operations. The majority of Richemont's own sites are located in Switzerland, with the Rhine and the Rhône as the main river basins.

Only 2% of Richemont's water withdrawals occur in buildings located in 'high' or 'extremely high' level of baseline water stress (>40% baseline water stress). Water stress areas have been assessed using the World Resources Institute (Aqueduct Water Risk Atlas) indicator and threshold. In addition to the Group-level efforts, several Maisons are implementing their own measures to preserve water.

# Working to Address Environmental Challenges

## Pollution Prevention and Control

Richemont recognises that the responsible management of emissions and discharges is an important element of sustainable environmental practices. This section describes the approach taken to minimise air or water pollution.

## Management Approach

Richemont's Standards of Business Conduct outline its commitment to pollution prevention and control at its operational sites. The Group's suppliers are also encouraged to adopt a proactive approach to minimise air emissions and water discharges of pollutants.

Pursuant to the above and given that Richemont is subject to regulations and mandatory standards associated with the use of chemicals worldwide, the Group has dedicated teams for the responsible management of hazardous chemicals, namely Health, Safety and Environment (Group HSE) and the Chemical Competence Center (CCC).

## Performance

### Air Emissions

In 2023, the Group started to collect data on Non-Methane Volatile Organic Compound (NMVOC) emissions associated with the use of various fossil fuels and solvents, recognising the harmful effect of tropospheric ozone formation which these NMVOC emissions can trigger. In 2023, the Group emitted 119 tonnes of NMVOC, 68% of which were generated by the combustion of fossil fuels, while the rest was emitted through industrial processes.

Even though Richemont's manufactures do not generate large amounts of Nitrous Oxides (NOx), the Group monitors these emissions generated by fossil fuel combustion across its operations. In 2023, 58 625 kg of NOx was generated across Richemont operations.

### Water Treatment

Most of Richemont's manufacturing activities include machining and assembly operations and do not normally generate large amounts of industrial water effluents. Wherever the Group has more intensive operations, it has installed local wastewater treatment plants to mitigate any potential negative impacts before releasing the treated wastewater to the local district wastewater treatment unit.

In addition, Richemont pays particular attention to wastewater management across its supply chains. For example, for tanneries, the Group requires suppliers to have Leather Working Group (LWG) certification. Further details are described in the Leather Supply Chain section of Influencing our Supply Chain chapter.

# Responsible Resource Use

Richemont's product portfolio relies on various non-renewable (e.g. metals, non-metal minerals) as well as renewable materials (e.g. wood, leather or cotton). The Group acknowledges that these resources need to be used in a responsible manner in its activities.

## Management Approach

Richemont's Environmental Code of Conduct outlines the commitment to monitoring resource consumption and managing resource-related risks. The SCoC also emphasises the need for suppliers to continuously minimise their resource consumption.

## Performance

Richemont has identified a list of critical raw materials, itself a subset of the EU list of critical materials and the US list of critical materials. These are defined as raw materials of high economic importance for its activities that are at a potential risk of supply disruption, due to their geological reserves, and lack of good, affordable substitutes. These materials include copper, nickel, palladium, platinum group metals, titanium metal, tungsten and zinc.

The Group has implemented measures to reduce risks associated with these critical materials, such as keeping them in circulation longer while implementing responsible sourcing practices.

# Buildings Efficiency

Richemont has an extensive real estate portfolio covering approximately 1.2 million square metres, with around 1 500 buildings globally, including more than 1 300 boutiques directly operated by the Group, multiple offices, manufacturing sites, customer service centres and logistics platforms. It is a priority for the Group to ensure these buildings operate efficiently. This section describes how Richemont manages its portfolio and third-party certifications of the buildings.

## Management Approach

Richemont improves the environmental performance of the buildings in Richemont's portfolio, based on two complementary approaches: The Green Building Scorecard and international and national building certification standards.

The Green Building Scorecard is a self-assessment tool, developed internally, covering a range of factors such as urban integration, energy consumption, environment, waste, water use and employee wellbeing. Facility managers can use this tool to assess the strengths and the opportunities for improvement at a building level.

Richemont pursues internationally recognised building certifications, including LEED New Construction, LEED Operations and Maintenance or BREEAM. In some cases, nationally recognised certifications are considered, such as Minergie, SNBS or Fondation Nature & Economie in Switzerland, or local standards, namely SméO in the canton of Vaud.

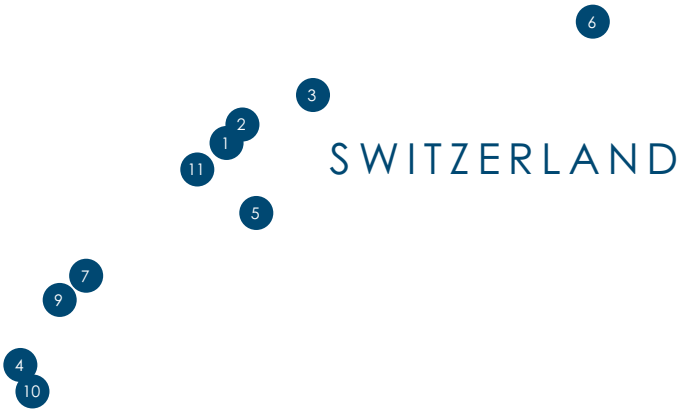
## Performance

The Green Building Scorecard rates four distinct levels of performance: Assessed, Silver, Gold and Diamond. For instance, more than half of Richemont's manufacturing sites have already reached the Gold level.

To date 22% of the buildings owned by the Group are certified in accordance with one of the international, national or local standards mentioned above.

# Map of the Locations with Building Standards

1. **CARTIER, La Chaux-de-Fonds, Switzerland, Manufacture**
   LEED-certified – O+M: *Gold*
2. **CARTIER, La Chaux-de-Fonds, Switzerland, Maison des Métiers d'Arts Cartier**
   LEED-certified – O+M: *Platinum*
3. **CARTIER, Glovelier, Switzerland, Manufacture**
   LEED-certified – O+M: *Gold*
4. **RICHEMONT, Meyrin, Switzerland, Offices**
   Minergie New Construction: *Minergie Eco*
   Other: *Fondation Nature & economie*
5. **RICHEMONT, Villars sur Glâne, Switzerland, Offices**
   Other: *Fondation Nature & economie*
6. **IWC SCHAFFHAUSEN, Schaffhausen, Switzerland, Manufacture**
   Other: *Fondation Nature & economie*
7. **JAEGER-LECOULTRE, Le Sentier, Switzerland, Manufacture**
   Minergie New Construction: *Minergie*
8. **RICHEMONT, Amsterdam, Netherlands, Offices**
   BREEAM: *In use Very Good*
9. **VACHERON CONSTANTIN, Le Brassus, Switzerland, Manufacture**
   Other: *SméO, Fondation Nature & economie*
10. **VACHERON CONSTANTIN, Plan-les-Ouates, Switzerland, Manufacture**
    Minergie New Construction: *Minergie*
11. **CARTIER, Le Locle, Switzerland, Manufacture**
    LEED-certified – O+M: *Gold*
12. **CARTIER, Turin, Italy, Manufacture**
    LEED New Construction: *Platinum*




In FY24, Cartier has achieved LEED certifications for over 100 boutiques, of which 83 are minimum gold level. Additionally, Cartier's manufacturing site in Turin, Italy, and Cartier's office in Lafayette, Paris, have respectively achieved LEED Platinum and LEED Gold certifications.

Multiple Maisons have also taken action to advance sustainable operations in their buildings. For example: Jaeger-LeCoultre has insulated 286 $m^2$ of the roof of its manufacture with cellulose fibre and a fabric-reinforced vapour barrier, to save an estimated 52 MWh of heating per year; Van Cleef & Arpels is driving a circularity pilot, collecting waste data from the demolition of its Heritage 1881 Boutique in Hong Kong SAR, China, where seven tonnes of loose fixtures, representing 68% of the total waste, were salvaged to be reused or recycled.

By installing photovoltaic panels, several sites are also switching to self-generated solar energy in addition to their continued effort to purchase renewable electricity.

# Energy Management

This section describes how Richemont manages energy consumption in its activities while considering the prioritisation of renewable energy and energy efficiency gains.

## Management Approach

Richemont's Standards of Business Conduct outlines the Group's commitment to minimising its energy usage. The Group's SCoC requires suppliers to monitor their energy consumption and to demonstrate their use of an increasing share of renewable energy.

Since February 2021, Richemont has been a member of RE100 and has committed to sourcing 100% renewable electricity by no later than 2025.

The Group monitors the energy usage of its owned facilities, including offices, boutiques, manufacturing sites, customer service and distribution centres. Where those are rented or leased, actual energy consumption figures are used where available. If unavailable, estimates are calculated based on the surface area, using US Energy Information Administration (EIA) statistical data. Richemont also monitors the energy consumption from its fleet of combustion engine vehicles.

Renewable energy usage is prioritised in facilities where the Group has control over its energy mix. This includes investment in self-generated (on-site) energy, such as photovoltaic solar panels, heat pumps and geothermal plants, or switching to renewable energy options provided by local utilities.

In facilities where the Group does not have direct control over its energy mix, landlords are encouraged to switch to renewable sources of energy and take energy saving measures.

## Performance

### Energy Consumption

Total energy consumption for 2023 was 325 GWh, an increase of 1% compared to 2022, mostly due to an improvement in data completeness for heating, cooling, and steam, and an increase in the number of company vehicles. 26% of Richemont's energy consumption comes from non-renewable sources, of which 44% comes from company vehicles. The second source of non-renewable energy is natural gas 30%, with the highest usage in Europe of 57%, where the Group's largest sites are located.

This year, renewable energy consumption steadily rose by 0.3 GWh, while the proportion of renewable energy consumption slightly decreased by 1% of the total consumption.

**Total energy consumption**

| GWh | CY2019 | CY2022 | CY2023 |
|---|---|---|---|
| Energy consumption from non-renewable sources | 173* | 79* | 84 |
| Energy consumption from renewable sources | 153* | 241* | 241 |
| **Total energy consumption** | **326*** | **320*** | **325** |
| Group Energy intensity (GWh/€m sales) | 0.02* | 0.01* | 0.01 |

* Restated figures

### Renewable Energy Sources

74% of Richemont's energy consumption comes from renewable sources. The majority use of renewable energy is in Europe, accounting for 70% of the total. Manufacturing accounts for the largest proportion building related energy at 39%, closely followed by the many Maisons' boutiques at 24%.

Richemont uses the following renewable energy sources:
- biomass and biogas;
- purchased or acquired electricity both from contracts with electricity suppliers and procurement of unbundled Energy Attribute Certificates (EACs); and
- self-generated non-fuel renewable energy (including solar, geothermal, heat pumps).

### Renewable Electricity

Good progress has been made since the Group joined RE100 in 2021, with 97% of sourced electricity being renewable in 2023, the same level as in 2022. It includes electricity purchased from retail supply contract mainly providing hydropower (63%), unbundled procurement of EACs (33%), and self-generated electricity such as on-site solar facilities (1%). On-site self-generated production of solar electricity continued to increase. A total of 15 Richemont sites, including offices and manufacturing sites, produced photovoltaic solar electricity in calendar year 2023. This increased the Group's self-generated solar electricity by 7%, compared to last year.

Examples of this include:

- **Richemont campus in Villars-Sur-Glâne, Switzerland:** Increase of solar electricity generated on site with the installation of 660 $m^2$ photovoltaic panels in addition to the existing 1 390 $m^2$ installed in 2022. The campus has an estimated annual production of 120 000 kWh (representing 1% of its annual consumption);
- **Cartier:** In 2023, Cartier opened its new Jewellery Manufacture in Turin. The site was designed to reduce its environmental footprint (LEED Platinum) integrating onsite electricity production with 3 800 $m^2$ of solar panels for an annual production of 800 000 kWh; and
- **Cartier:** the Maison financed the acquisition of a hydroelectric power plant in Italy to produce an average of 3.2 GWh annual renewable electricity. This participates in the production of local renewable electricity.

### Thermal District Networks

The Group also purchases heating, cooling and steam from district networks or thermal plants outside of Richemont's facilities. Most of this energy typically comes from renewable sources (such as wood chips and municipal waste incineration), although the district may occasionally rely on fossil fuels. Therefore, this option is not considered as renewable energy.

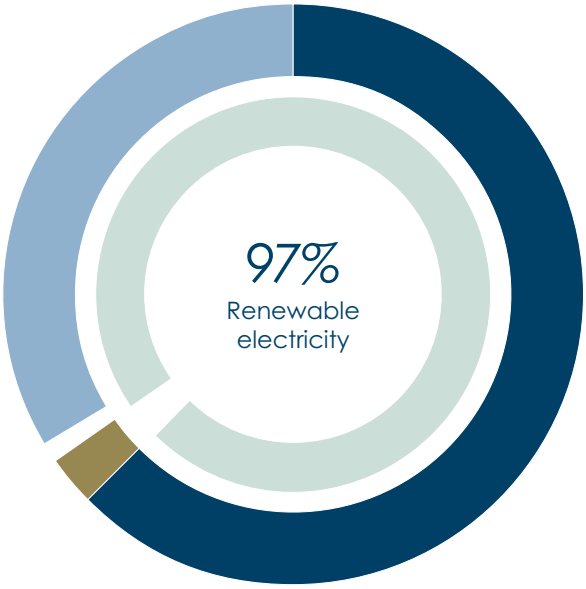
### Energy Efficiency

Further progress was made in 2023 on reducing energy usage and improving efficiency while maintaining production levels. The rollout of energy efficiency measures such as heating temperature reduction or switching lighting to LED solutions in the Group's own buildings continued throughout the year. As a result, the total building energy consumption of those owned sites decreased by 6%, mostly driven by the reduction in heating oil and natural gas consumption.

Examples of energy efficiency measures include those undertaken at Richemont's Campus in Meyrin, Switzerland, whereby reducing heating by 1 degree and increasing cooling by 1 degree resulted in a 10% reduction in overall electricity consumption, in the period of April to November 2023, compared to the same period in 2022.

A further example is one of Richemont's manufacturing competence centres in Fleurier, Val-de-Travers Switzerland achieving ISO 50001:2018 Energy Management System certification.

**Percentage of electricity sourced by type in 2023**




| | |
|---|---|
| Purchased renewable electricity (GWh) | **149.6** |
| EACs (GWh) | **80.1** |
| Self-generated electricity (GWh) | **2.1** |
| Standard electricity (GWh) | **6.7** |

# Circularity

Richemont's products are renowned for their longevity and repairability. Jewellery and watches are often passed down from one generation to the next, with after-sale service and repair facilities essential to extend product life. This section outlines the Group's commitment to circularity which extends beyond the durability of its products to include design, materials, packaging, servicing and repair.

## Management Approach

The international network of Richemont's customer service is central to extending product life, performing more than one million maintenance and repair interventions per year. In 2023, the majority of in-house repairs involved watches that were more than 15 years old and the majority of the Group's watchmaking Maisons provide services to restore very old timepieces. The Group's SCoC encourages suppliers to ensure the circular use of raw materials.

Understanding material inflows, product outflows and releases of substances to the environment from cradle to cradle is essential to building a more circular economy. The environmental impact of Richemont products is evaluated through multi-criteria Product Lifecycle Assessments (LCA) following the ISO 14040/14044 standards and the Product Environmental Footprint (PEF) recommendations from the European Commission. The Group's product design teams rely on these evaluations to identify hotspots and explore alternative solutions through circular economy practices and eco-design choices.

## Performance

The Group's Research & Innovation team has created the Circle Material platform that helps put unused stock to use by sharing the different types of leather and textile that are in stock but not used by a Maison and thus available to others for prototyping, gift developments or other usage.

Similarly to its jewellery and watchmaking creations, fashion and accessories' products are equally designed to the highest quality standards to ensure durability. Most Maisons provide repair as part of their after-sales service.

To effectively manage the end-of-life of their point-of-sale materials and with the goal of reducing incineration and eliminating landfill, internal guidelines have been published to enable Maisons and distribution centres to reuse, upcycle, recycle and recover.

# Waste Management

Richemont generates waste from its manufacturing sites, distribution centres, offices, and boutiques across the world. This section describes how it classifies and measures this waste and monitors progress in managing, reducing, and recycling waste material.

## Management Approach

As described in the Standards of Business Conduct and Environmental Code of Conduct, Richemont aims to minimise waste in its own operations. Suppliers are also encouraged to identify significant sources of waste and manage the identified waste responsibly.

The Group's distribution centres account for the highest proportion of waste generated (mostly domestic waste) followed by manufactures (mostly special industrial waste). Offices, boutiques, and customer service centres generate domestic waste to a lesser extent. Where generated, hazardous waste is identified separately and treated in accordance with international and local regulations.

The use of hazardous chemicals is carefully managed to mitigate potential environmental harm including the creation of a Product Restrictive Substance List (PRSL), a living document restricting the use of chemicals in products at a safe level by the Group's Chemical Competence Center. In addition, the Group's Chemical Management Framework sets out the standards for the safe and responsible management of chemicals used in the workplace.

## Performance

**2023 Waste quantity by disposal method split between hazardous and non-hazardous**

| | CY2022 | | | CY2023 | | |
|---|---|---|---|---|---|---|
| Tonnes | Hazardous | Non-hazardous | Total | Hazardous | Non-hazardous | Total |
| Composting | 0 | 120 | 120 | 0 | 174 | 174 |
| Recovery for recycling | 579* | 6 632 | 7 211* | 609 | 5 810 | 6 419 |
| **Total waste diverted from disposal** | **579*** | **6 752** | **7 332*** | **609** | **5 984** | **6 593** |
| Incineration with energy recovery | 578 | 3 410 | 3 988 | 537 | 6 325 | 6 863 |
| Incineration without energy recovery | 50 | 321 | 371 | 99 | 286 | 384 |
| Landfilling | 117 | 753 | 870 | 182 | 887 | 1 069 |
| Undefined | 296* | 1 099 | 1 395* | 406 | 1 936 | 2 342 |
| **Total waste directed to disposal** | **1 041*** | **5 582** | **6 623** | **1 223** | **9 434** | **10 657** |
| **Total waste generated** | **1 621*** | **12 334** | **13 955*** | **1 832** | **15 418** | **17 250** |

* Restated figures

In 2023, Richemont reported 17 250 tonnes of waste, a 24% increase compared to the previous year, mainly due to improved data accuracy, categorisation and reporting scope. Overall, 62% of the waste is directed to disposal (the majority being incinerated with energy recovery) while 38% is diverted from disposal (the majority being sent for recycling).

Examples of initiatives to reduce and manage waste undertaken by Maisons include the work of the Campus Genevois de Haute Horlogerie in Meyrin in conjunction the Services Industriels de Genève (SIG) to assess its recycling channels. This contributed to an estimated overall recycling rate of 66% for 2023.

# Environmental Data Set

# GHG Emissions Performance

**Table 1: Group GHG footprint by segment and by Scope (GRI 305-1, 305-2, 305-3)**

| $ktCO_2e$ | Total CY2023 | Scope 1 | Scope 2 | Scope 3 |
|---|---|---|---|---|
| Jewellery Maisons | 739.0 | 3.0 | 1.9 | 734.1 |
| Specialist Watchmakers | 178.9 | 2.3 | 0.7 | 176.0 |
| Online Distributors | 378.6 | 1.6 | 0.0 | 376.9 |
| Fashion & Accessories | 358.2 | 1.7 | 1.2 | 355.3 |
| Corporate | 187.7 | 6.4 | 0.6 | 180.7 |
| **Total** | **1 842.4** | **15.0** | **4.4** | **1 823.0** |

**Table 2: Group GHG footprint by Scope and category (GRI 305-1, 305-2, 305-3, 305-4)**

| $ktCO_2e$ | CY2019 | CY2020 | CY2021 | CY2022 | CY2023 |
|---|---|---|---|---|---|
| **Total** | **1 446.6*** | **1 212.5*** | **1 554.8*** | **1 942.5*** | **1 842.4** |
| Scope 1 | 15.8* | 11.5* | 13.3 | 14.5* | 15.0 |
| Scope 2 | 44.6* | 5.7 | 5.9* | 4.9* | 4.4 |
| Scope 3 | 1 386.2* | 1 195.3* | 1 535.6* | 1 923.1* | 1 823.0 |
| Scope 3 per calculated category | | | | | |
| Purchased goods and services | 988.8* | 887.1* | 1 220.6* | 1 476.6* | 1 395.3 |
| Capital goods | 72.2 | 122.1 | 70.8 | 130.4* | 131.9 |
| Fuel and energy related activities | 12.9* | 13.2* | 37.8* | 19.3* | 20.0 |
| Upstream transportation and distribution | 186.9* | 126.5* | 155.6* | 193.9* | 133.1 |
| Waste generated in operations | 3.3* | 1.0* | 2.2* | 1.5 | 2.1 |
| Business travel | 64.9* | 11.0* | 12.7* | 47.2* | 86.4 |
| Employee commuting | 32.5 | 8.6 | 8.5 | 25.8 | 26.1 |
| End-of-Life treatment of sold products | 2.7* | 2.4* | 3.8* | 5.5* | 4.9 |
| Franchises | 22.1 | 23.2 | 23.5 | 22.9 | 23.2 |
| **Group emissions intensity ($ktCO_2e$/€m sales)** | **0.10*** | **0.09*** | **0.08*** | **0.09*** | **0.08** |

* Restated figures

**Table 3: Scope 1 – Biogenic emissions (GRI 305-1 c)**

| $tCO_2e$ | CY2019 | CY2020 | CY2021 | CY2022 | CY2023 |
|---|---|---|---|---|---|
| Biogas | n/a** | n/a** | 1.66* | 1.09 | 1.07 |

* Restated figure
** n/a refers to unavailability of data during the reporting period

**Table 4: Scope 2 – Location-based emissions (GRI 305-2 a)**

| $ktCO_2e$ | CY2019 | CY2020 | CY2021 | CY2022 | CY2023 |
|---|---|---|---|---|---|
| Scope 2 – location-based | 68.5* | 56.8* | 59.1* | 58.0* | 60.7 |

* Restated figures

# Energy Performance

**Table 5: Energy consumption from non-renewable sources (GRI 302-1)**

| MWh | CY2019 | CY2020 | CY2021 | CY2022 | CY2023 |
|---|---|---|---|---|---|
| Fuel | 49 368* | 29 538* | 35 228* | 38 830* | 39 874 |
| Natural gas | 28 558* | 27 892* | 25 039 | 24 458 | 25 230 |
| LPG | 0 | 0 | 1 303 | 709 | 569 |
| Non-renewable electricity | 88 053* | 12 328* | 14 971 | 8 234 | 6 745 |
| Heating, cooling, steam | 7 005* | 9 362* | 8 169* | 7 207* | 11 096 |
| **Total non-renewable energy** | **172 983*** | **79 120*** | **84 710*** | **79 439*** | **83 514** |
| **Non renewable energy intensity (mWh/€m sales)** | **12*** | **6*** | **4*** | **4*** | **4** |

* Restated figures

**Table 6: Energy consumption from renewable sources (GRI 302-1)**

| MWh | CY2019 | CY2020 | CY2021 | CY2022 | CY2023 |
|---|---|---|---|---|---|
| Biogas | 0 | 0 | 7 523 | 4 955 | 4 865 |
| Self-generated solar | 1 640 | 1 336 | 1 234 | 1 946 | 2 077 |
| Geothermal | 0 | 0 | 3 782 | 2 021 | 1 931 |
| Renewable electricity | 150 719* | 194 775* | 211 236* | 230 418* | 229 809 |
| Other** | 249 | 2 201 | 393* | 1 568* | 2 523 |
| **Total renewable energy** | **152 608*** | **198 312*** | **224 168*** | **240 908*** | **241 205** |
| **Renewable energy intensity (mWh/€m sales)** | **11*** | **15*** | **12*** | **11*** | **11** |

* Restated figures
** Heating and cooling from groundwater and heat pump

**Table 7: Energy sold (GRI 302-1)**

| MWh | CY2019 | CY2020 | CY2021 | CY2022 | CY2023 |
|---|---|---|---|---|---|
| Sold solar electricity | n/a* | n/a* | 272 | 268 | 267 |

* n/a refers to unavailability of data during the reporting period

# Water Performance

**Table 8: Water withdrawal (GRI 303-3)**

| $m^3$ | CY2019 | CY2020 | CY2021 | CY2022 | CY2023 |
|---|---|---|---|---|---|
| Municipal water | 621 049 | 587 662* | 724 858* | 652 859 | 801 060 |
| Ground water | 396 892* | 231 502* | 397 128* | 297 376* | 460 278 |
| Surface water | 1 525 069* | 1 265 869* | 1 223 443* | 1 132 021* | 1 437 225 |
| Produced water | n/a** | n/a** | n/a** | n/a** | 0 |
| Sea water | n/a** | n/a** | n/a** | 0 | 0 |
| **Total water withdrawal** | **2 543 010*** | **2 085 032*** | **2 345 429*** | **2 082 256*** | **2 698 563** |
| **Water intensity ($m^3$/€m sales)** | **179*** | **159*** | **122*** | **93*** | **118** |

* Restated figures
** n/a refers to unavailability of data during the reporting period

# Task Force on Climate-Related Financial Disclosures (TCFD)

**'CDP 2023' refers to Richemont's Response to the CDP Climate Change 2023 Questionnaire.**

| | | |
|---|---|---|
| **Governance** | | |
| **1** | Describe the Board's oversight of climate-related risks and opportunities. | CDP 2023: C1.1a, C1.1b<br>Non-Financial Report 2024: Introduction – ESG Management System, ESG Risk Management |
| **2** | Describe management's role in assessing and managing climate- related risks and opportunities. | CDP 2023: C1.2<br>Non-Financial Report 2024: Introduction – ESG Management System, Materiality Assessment, ESG Risk Management; Acting on our Environmental Impact – Introduction; Influencing our Supply Chain – Introduction |
| **Strategy** | | |
| **3** | Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. | CDP 2023: C2.1a, C2.2, C2.3, C2.3a, C2.4, C2.4a<br>Non-Financial Report 2024: Introduction – ESG Risk Management |
| **4** | Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning. | CDP 2023: C2.1b, C2.3a, C2.4a, C3.1, C3.2a, C3.2b, C3.3, C3.4<br>Non-Financial Report 2024: Introduction – Materiality Assessment; ESG Risk Management |
| **5** | Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 degree C or lower scenario. | CDP 2023: C3.2, C3.2a, C3.2b<br>Non-Financial Report 2024: Acting on our Environmental Impact – Climate Mitigation |
| **Risk management** | | |
| **6** | Describe the organisation's processes for identifying and assessing climate-related risks. | CDP 2023: C1.2, C2.1, C2.1a, C2.2, C2.2a<br>Non-Financial Report 2024: Introduction – ESG Management System, Materiality Assessment, ESG Risk Management; Acting on our Environmental Impact; Influencing our Supply Chain – Introduction |
| **7** | Describe the organisation's processes for managing climate-related risks. | CDP 2023: C2.1, C2.2<br>Non-Financial Report 2024: Acting on our Environmental Impact; Influencing our Supply Chain – Introduction |
| **8** | Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management. | CDP 2023: C1.2, C2.1, C2.2<br>Non-Financial Report 2024: Introduction – ESG Management System, Materiality Assessment, ESG Risk Management |
| **Metrics and targets** | | |
| **9** | Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk process. | CDP 2023: C4.1, C4.2, C4.2a, C4.2b<br>Non-Financial Report 2024: Acting on our Environmental Impact |
| **10** | Disclose Scope 1, Scope 2 and, if appropriate, Scope 3, greenhouse gas (GHG) emissions and the related risks. | CDP 2023: C6.1, C6.3, C6.5, C6.5a<br>Non-Financial Report 2024: Acting on our Environmental Impact – Introduction, Climate Mitigation, Working to Address Environmental Challenges, Environmental Data Set |
| **11** | Describe the targets used by the organisation to manage climate- related risks and opportunities and performance against targets. | CDP 2023: C4.1, C4.1a, C4.1b, C4.2, C4.2a, C4.2b<br>Non-Financial Report 2024: Acting on our Environmental Impact – Introduction |

# Introduction

People are at the heart of Richemont's success. To deliver on its mission of crafting the future, the Group nurtures the distinctive craftsmanship and creativity of its employees, within a collaborative and inclusive working environment where talent can thrive.

Rooted in shared values, the Group aims to create a sense of belonging, promoting solidarity, collegiality, loyalty, and freedom in its ways of working, as well as nurturing a caring and challenging leadership culture.

With a workforce of over 40 000 people (including YNAP and Gianvito Rossi), attracting and retaining talent is critical to Richemont's success. The Group's strength lies in its diversity. As a global organisation, Richemont employs 130 employee nationalities in 40 countries throughout its Maisons, regions, and central functions.

This chapter outlines the management approach, actions and data that underpin how the Group attracts, retains, and develops its people through the employee journey. It also addresses topics identified in the FY23 Materiality Assessment as highly material, including talent attraction and skills development, health, safety and wellbeing within the Group's operations. Human rights and labour standards are addressed in the Sustainability Governance chapter.

# Being an Attractive Employer

Nurturing distinctive luxury craftsmanship, enabling a creative and innovative spirit, and empowering its people to grow is key to Richemont's purpose to craft the future.

This section describes Richemont's approach and practices to attract talent, engage and manage employees, and reports on progress during the year.

## Management Approach

Richemont supports its people throughout the full employee journey, from talent attraction to ongoing employee engagement and management. The Group cultivates an environment where talent can thrive, and diversity is embraced.

Richemont has a distinctive talent acquisition and management strategy, focused on supporting the rich and distinctive DNAs of its Maisons. This means attracting and hiring people not just for their first role, but also for their potential and ability to learn and develop towards their long-term aspirations in the Group. Once new employees have joined and performed in their roles, they are in due time encouraged to explore other opportunities through internal mobility, including to Maisons, regions and functions.

The Group's Standards of Business Conduct is a key element of the management approach, promoting a healthy work environment conducive to high-performance. This includes aligning processes and procedures with national and international legislations, such as the conventions of the International Labour Organization (ILO). As part of its commitment to diversity and inclusion, the Group also strongly supports the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW).

### Talent Attraction

Richemont attracts the best talent from diverse backgrounds through tailored recruitment and onboarding practices. The Group also offers competitive and equitable benefits, at or above local standards worldwide, consistent with market practice and harmonised within each country to ensure fair treatment.

Alongside its well-established talent acquisition practices, the Group is adopting innovative strategies to ensure a more holistic and inclusive approach to recruitment. For example, Cartier has created the Academy of Commercial Talents (ACT) to connect with talent from different industries and to offer a career path into the world of Cartier retail for candidates from diverse educational backgrounds, with no prior experience in the luxury industry. This unique recruitment process – where a traditional CV is not needed – starts with a set of short, engaging, and innovative assignments to assess problem-solving skills, attention to detail and emotional understanding. This is followed by an on-demand interview where the candidate decides where, when and on which device this should take place. The final interview includes feedback on assessments and retail-based role playing to evaluate the fit for the ACT programme.

An effective onboarding process is an essential step in the employee journey and key to supporting successful talent retention. Specific focus on this process was given in FY24, enhancing the support for new hires in navigating the organisation. The process includes actions to share insights into the Group culture and walk new employees through essential tools, technologies and processes in a consistent way all across the organisation to help ensure their success.

Richemont's fair and balanced rewards policy supports its talent attraction strategy and includes high-quality benefits programmes that provide protection and security, as well as support employee wellbeing. These programmes cover all employees regardless of geography, and the benefits are outlined below:

- **Life and Permanent Disability:** minimum coverage implemented everywhere;

- **Medical:** covering employees for major medical events – in some markets, coverage is also extended to employees' spouse and children.
- **Parental Leave:** a minimum of 14 weeks paid for maternity and adoption (rolled out in most markets as of April 2024)/minimum of 5 days paid for paternity;
- **Employee Assistance Programme:** WeCare programme, including an emotional support hotline available 24/7 via third-party providers to preserve confidentiality;
- **Business Travel Assistance:** covering all employees worldwide via International SOS for medical and security assistance;
- **Staff Sales:** Group policy on staff sales to enable employees to access selected Group creations at preferential rates; and
- **Long Service Awards Programme:** to celebrate seniority.

The Group promotes a culture of wellbeing and healthy living, with a strong focus on care, through the WeCare programme. It provides emotional support and wellbeing services to employees and their close relatives, including:

- **Counselling sessions:** with accredited health professionals and no predefined limit on the number of topics that can be addressed;
- **Mindfulness programs and Life Coaching:** through six sessions, trained health and wellness professionals provide one-on-one support and supply electronic resources for self-guided individual practice; and
- **Manager Assist programme:** direct one-to-one support to help managers deal with complex situations.

In addition to the above-mentioned benefits, Richemont has introduced flexible benefits programmes to help create a tailored approach, focusing on individual needs. Employees can adapt their options by adding or removing benefits or building credits towards wellness programmes. These are adapted to specific geographies, reflecting local market practices. The flexible benefits plan has already been implemented in Greater China and Singapore. Thailand, Malaysia and Vietnam are due to follow.

Volunteering is an important part of Richemont's culture and encouraged throughout the organisation. Richemont offers a minimum of one day per year for volunteering. Employees contribute globally to projects in the areas of education, climate change, arts, culture and heritage, social and economic development, health and welfare or diverse communities' development.

Cartier uses a digital platform to support its worldwide volunteer programme, Cartier Community Days. This programme enables employees to support their local communities and the charitable causes that they are passionate about. The initiative was launched over two years ago and since the programme was launched, over 2 205 employees have volunteered and supported 144 non-profit organisations.

In Switzerland, Vacheron Constantin recently launched TOGETHER volunteering programme, which had 187 employees signed up completing 72 hours of volunteering with local associations like Le Caré, a day-centre providing free meals in Geneva, or Partage, the Geneva food bank, that distributes food and hygiene products to people in need, via 55 local charities and social services.

Panerai's volunteering initiative 'Do it Together' calls for employees to present a specific project from the associations they are part of. The 'Do it Together' committee selects new projects every year that cover social inclusion, diversity, women empowerment, environment and solidarity actions in the local community.

Van Cleef & Arpels has a combination of ongoing and project-based volunteering programmes. Under the 'Sustainability Labz' initiative, volunteers propose and implement actions with a positive environmental impact, either locally or more globally aligned with the Maison's projects.

### Employee Engagement and Management

The Group clearly sets out its commitments to employees and its expectations of them in its Standards of Business Conduct. This stipulates that all aspects of the employment relationship, from employee management (e.g. working hours policy, collective bargaining) to compensation, should be free from any form of discrimination. With respect to working hours and overtime, Richemont adheres to limits on working hours per week, as stipulated by recognised industry standards and relevant local legislation in the countries where the Group operates and where applicable. In addition, the Group sees collective bargaining as an important aspect of the relationship with its people and 69.5% of employees in Europe are a part of such agreements. Richemont supports collective dialogue and negotiations with employee unions and other representative associations wherever local legislation applies.

Richemont engages and builds relationships with its employees by maintaining open lines of communication. To monitor and understand employees' experiences on their employee journey, employee surveys are deployed regularly throughout the organisation. These are customised for Maisons, regions and functions, reflecting their maturity and priorities. Once the surveys are completed, feedback is addressed as appropriate. Key topics highlighted in recent surveys include engagement, work experience and workplace, covering themes such as employee satisfaction, career development and diversity and inclusiveness.

Confidential employee feedback is also encouraged through the Richemont Speak Up Platform, which provides a safe environment for its people to raise concerns about unethical, illegal, and inappropriate behaviour and practices. More information on the Speak Up Platform can be found in the Speaking Up and Reinforcing our Values section of the Sustainability Governance chapter.

## Performance

Monitoring and responding to employee feedback enables the Group to continue building its reputation as an attractive employer. To further improve on its current engagement practice, the Group has introduced a new engagement tool that allows new formats of engagement monitoring. It already covers 20% of the population, with an average participation rate of 64%.

Richemont has been recognised as an attractive place to work, gaining independent awards during the year. These include being named by Forbes as one the World's Best Employers and one of the World's Top Companies for Women, and by Universum as one of the Most Attractive Employers in Switzerland for Students, one of the Most Attractive Employers in France for Professionals and one of the Most Attractive Employers in China for Students. Richemont was also recognised as one of World's Best Companies by Time magazine and as one of Les Meilleurs Employeurs Suisse for 2023 and received a Top 100 Employer Excellence Award in China.

In FY24, Richemont obtained the global gender EQUAL-SALARY certification from the EQUAL-SALARY Foundation. The certification recognises Richemont's commitment to ensuring a fair and equal reward policy between women and men, which is an essential prerequisite for fostering a diverse and inclusive workforce. More on this development is covered in the DEI section of this chapter.

# Fostering Human Capital Development

Human capital development, including the retention of talents and developing their skills, is an integral part of Richemont's people strategy and vision.

Richemont is dedicated to providing equal opportunities to its employees in order for them to grow, through a variety of actions, including performance reviews, career mentoring, and development programmes.

Talent skills development was identified as a highly material topic in the FY23 Materiality Assessment. This section focuses on the Group's approach to managing and supporting the employees' performance management, through various actions including Learning and Development (L&D) programmes as well as Group commitment to internal mobility.

## Management Approach

Richemont's human capital development strategy is centred around its performance management approach, with the ambition to enable an attractive, competitive, and forward-looking mindset, deeply anchored to the Group culture and values, that valorise talents' impact and contributions, and fosters a culture of growth to build tomorrow's capabilities.

To enable this, Richemont has focused on:
- Attracting talents, sharing about the Group culture, and elevating the candidate experience. These efforts resulted in a number of accolades from global and local institutions, recognising Richemont as an attractive place to work.
- Accelerating on development and internal mobility to retain employees, empowering them to take ownership of their career with the evolution of performance framework.

The updated performance review process assesses everyone's impact on value creation, creating a performance mindset shared throughout the entire organisation. It also fosters an active learning culture, where every employee is encouraged to plan their own personal development journey. This includes personalised career development plans with opportunities on the job, customised learning, as well as internal mobility on short or long-term assignments. In addition, this review process allows the Group to calibrate its current talent pool and identify any gaps to facilitate succession planning.

### Performance Management

The Group has been on a journey to evolve its performance management approach with a focus on the following long-term strategic pillars: empowering colleagues to take ownership of their journey with My Performance Journey. Indeed, this approach enables regular touchpoints instead of one annual conversation, for on-going dialogue between employee and manager, structured around two critical touchpoints:
- **My Priorities:** tracking achievements and impact, and evaluating the individual contribution of colleagues through clear value-creation key performance indicators (KPIs), supporting the employee assessment; and
- **My Development:** encouraging a strong focus on development, highlighting growth opportunities and supported by concrete actions.

Those regular reviews are integral to Richemont's commitment to supporting employees' excellence, growth and career development, ensuring they obtain constructive feedback, make an impact, and develop the skills and knowledge they need.

This framework supports a more flexible approach for retail and manufacturing, and is enabled by a digital toolkit that integrates performance, development actions, career opportunities and learning needs to support personalised learning and development, moving beyond traditional linear career paths.

## Human Capital Development

Supporting the ongoing learning and professional growth of its employees and enabling internal mobility, gives Richemont a competitive edge in attracting and retaining talent. In situations where a reorganisation of the workforce is necessary, Richemont endeavours to reassign roles in a feasible manner, while being compliant with applicable local laws and regulations. Transition programmes are locally managed, evaluating cases on an individual basis. This allows Richemont to develop these programmes tailored to the specific needs of employees.

### L&D Strategy and Specific Programmes

Richemont's development philosophy combines opportunities for colleagues to grow through work experience, taking on new projects or responsibilities in their current roles, exposure to coaching and mentoring by skilled peers, and having access to extended learning programmes customised for the organisation. Over the last three years, L&D efforts have centred on reinforcing Richemont's learning culture foundations, enhancing '#NeverStopLearning' platform access, user experience and content. It offers a wide range of regularly updated programmes that are available to all employees.

Specific modules are developed to support the Group's strategic priorities, providing programmes for its functions. The approach, through those initiatives, is to empower colleagues to grow their skills and support their employability, while developing critical capabilities for the business to adjust to a fast-changing environment powered by technological, digital and cultural transformations. These include:
- **Functional upskilling:** the Group is evolving towards a functional upskilling strategy, to provide targeted learning based on central functions' needs to help build critical capabilities. Tailor-made upskilling programmes are put in place as and when required to improve knowledge in specific areas, which support functions' in fulfilling their business ambitions, whilst ensuring the long-term employability of colleagues. By way of illustration, various Richemont digital sustainability upskilling actions were launched in FY24 to equip employees with the tools and opportunities to grow their sustainability understanding and ESG technical skills such as reporting.

- In addition, the Data Academy, a specific programme designed for Group Technology, is launching soon to provide cloud computing competency;
- **'Crossing Boundaries'** is one of the Group's signature programmes dedicated to strengthening cultural agility and empathy across the organisation. Its objective is to build employees capacity to execute business transactions, navigate cultural dynamics, and manage interactions across geographies and cultures. This year's edition aims to hone cross-cultural skills and increase awareness of cultural contexts across regions, to support employees in their interactions with colleagues around the world. During the reporting period, learners from 18 Maisons in 21 countries benefitted from the programme.
- **'EVOLVE Future Ready'** is the tailor-made programme focused on the luxury industry transformation and co-designed with the International Institute for Management Development (IMD). It is designed to nurture an innovative culture and equip Richemont's employees with the skills necessary to understand the future of the luxury industry. The third EVOLVE Programme was run in FY24 and covered topics including digital trends, supply chain, risk, innovation and cybersecurity: more than 1 600 employees participated, including learners from 21 Maisons and 31 countries.

### Internal Mobility

Internal mobility supports the above approach on learning and development. The Group continues to offer employees the opportunity to take new roles in the organisation fulfilling their professional aspirations while responding to the needs of the business. Almost 40% of permanent roles are filled internally and this percentage increases with more senior positions. These internal vacancies are advertised transparently on the Group's internal portal and offer all employees the chance to explore the diversity of its Maisons, regions and functions, and takes advantage of its global presence, both key assets for talent attraction and retention.

## Apprenticeships and Internships

Preserving special craftsmanship is critical to building a sustainable luxury industry and Richemont is committed to playing its part. The Group supports an extensive apprenticeship programme in Switzerland. Under this dual-track apprenticeship system, young people combine on-the-job training in a host company with lessons at a vocational school and obtain a federal certification after two-, three- or four-year programmes that allow them to start their careers with a good foundation of "savoir-faire". To increase the number of apprentices across the country and secure a strong and competent manufacturing workforce, a dedicated function in Richemont Switzerland was created last year to support the Maisons in following this Swiss-specific education path. In FY24, Richemont currently had 147 apprentices in training, which is a 10.5% increase from 133 in FY23. The programme has also expanded, with newly acquired entities joining the existing apprenticeship programmes and providing additional opportunities.

Richemont Americas launched the Laureus Acceleration Programme in 2021 to promote better access and understanding of the luxury business to students from disadvantaged backgrounds. The programme includes career day visits and internship components that began in 2022 with both Richemont Maisons and functions.

In 2023, IWC Schaffhausen achieved Great Start! Certification via an original and inclusive apprenticeship programme that offers an excellent foundation for trainees to develop their skills and grow in this industry. 34 IWC apprentices were surveyed about the training culture at IWC Schaffhausen, expressing an overall level of satisfaction of 89%, illustrating the strong academic support they received in a fair and respectful environment.

In addition, last year, Watchfinder & Co offered a variety of experiences and events to over 150 students from schools in its local area including a Technology Challenge, work experience and an 'Experience Day' at its headquarters enabling secondary students from a variety of backgrounds to discover the world of watchmaking and careers advice. Watchfinder & Co is one of the leading buyers and sellers of premium pre-owned watches with a specialist servicing centre for Richemont's Maisons in the UK.

Since 1992, Jaeger-LeCoultre and l'Ecole Technique de la Vallée de Joux (ETVJ) have maintained a long-term partnership dedicated to apprenticeship. In 2021, Jaeger-LeCoultre inaugurated a new craftsmanship centre to welcome apprentices and interns. Originally dedicated to watchmaking, the apprenticeship has been expanded to include new skills, such as micro-engineering and quality control.

## Maisons' Partnership with Schools

As part of its commitment to preserving craftsmanship and fostering creativity in jewellery and watchmaking, Piaget has developed a long-term partnership with the Haute Ecole d'Art et Design de Geneve (HEAD). It sponsors an annual competition for first year students in jewellery and watchmaking. The Piaget design team provides feedback and tutoring during the competition process with the winner offered a three-month paid internship with the Maison.

To fulfil the increasing demand for the servicing of Swiss watches outside Europe, the Institute of Swiss Watchmaking was founded in 2009 to develop highly skilled watchmaking specialists. From micromechanics to complications adjustments in watchmaking, the Institute, in partnership with WOSTEP (Watchmakers of Switzerland Training and Educational Programme), offers a quality label of international watchmaking training. Richemont watchmaking Maisons support this partnership in Hong Kong SAR, China, Shanghai, China and Dallas, USA.

Founded in 2003, the Creative Academy is Richemont's design school that selects, nurtures and prepares young creative talent for the design of luxury jewellery, watches and fashion accessories. Each year, 20 of the world's most promising design students from the best schools around the world are selected to complete a Master of Arts in Design and Applied Arts. During the last two decades, the School has paved the way for successful careers, with many of the School's alumni currently contributing to the future of the Richemont Maisons.

As a living heritage Maison with a long-standing commitment to the transmission of know-how in jewellery, Van Cleef & Arpels created 'De mains en mains' programme in Lyon in 2021 with a third edition in 2023. Participants from local schools discovered the various métiers and know-how from the Maisons' experts in jewellery. The event was organised with the help of L'École des Arts Joailliers, the French Ministry of National Education, several jewellery training schools, as well as different associations.

In Japan, Van Cleef & Arpels supports since 2022 the preservation of craftsmanship and artisan traditions, such as lacquer, folding, cutting, dyeing, ceramics, pottery, and tatami, by providing financial support for the fieldwork and research of a contemporary design and craft team at the Department of International Design and Craft Studies at the University of Tokyo.

Cartier is also committed to building university partnerships across the globe to provide valuable work experience for students and nurture a pipeline of talent for the future. Working with an extensive list of institutions, Cartier aims to foster learning and engagement opportunities outside its own ecosystems. Examples of partnerships that took place this year include with the Haute Ecole de Joaillerie in Paris for a Digital Bachelor training, the exclusive partnership with EMiLUX-SDA Bocconi for the Executive Master in Luxury Management, a partnership with CEMS Global Alliance in Management that has been ongoing for the last four years and QTEM (Quantitative Techniques for Economics and Management) that has been running since 2022.

The Maison is also a partner of prestigious business schools such as L'École supérieure de commerce de Paris (ESCP) and École des hautes études commerciales de Paris (HEC), Istituto Marangoni in Milan, Italy, Georgetown and Howard and Massachusetts Institute of Technology (MIT) Universities, USA and NUS Business School, Singapore and Sydney University, Australia.

Launched three years ago, the Cartier Research Chair 'Turning Points – Aspiration to Inspiration' brings together two leading business schools, ESCP and HEC to explore long-term research on social trends. This includes the creation of the Gen Z Observatory, a modern think tank composed of students and Cartier employees worldwide explore emerging generational and cultural changes.

# Performance

Richemont's performance and development management is fundamental for the growth of employees. Key measures help track the progress of every employee's individual journey including: performance reviews, career development plans, and training hours. These enable the Group to nurture talent and promote growth along the employee journey.

In FY24, 84.8% of Richemont's employees benefited from a regular performance review and 76.1% updated their personal development plans following this.

The focus on growth and professional development during the year resulted in 35 791 employees completing training modules representing an 7.8% increase over the previous year. A total of 21 524 learners (employees with at least one non-mandatory training completed), accounting for 55.98% of the global headcount, completed at least one training session, either online or in person. The average number of training hours for FY24 per employee was 9.40 hours. More information is available in the Social Data Set at the end of this chapter.

# Promoting Diversity and Equal Opportunity

By nurturing a diverse workforce, Richemont fosters collegiality, solidarity and loyalty and respects the personal characteristics of employees.

Richemont's strength lies in the diversity of its people as represented by its global workforce. With colleagues in 40 countries across five regions – Europe, APAC, Americas, Japan, MEIA – Richemont focuses on fostering a welcoming environment for everyone irrespective of nationalities, genders, diverse cultures, and educational backgrounds. The Group is dedicated to promoting equal opportunity and equitable treatment through non-discriminatory practices, offering growth opportunities to all colleagues.

This section looks at Richemont's approach to promoting diversity and equal opportunity and the programmes in place to ensure that Diversity, Equity & Inclusion (DEI) is embedded across the organisation. These are also referenced in the Being an Attractive Employer and Fostering Human Capital Development sections of this chapter.

## Management Approach

Richemont has set out its commitment to diversity in the Standards of Business Conduct stipulating that all aspects of the employment relationship, from employee management (e.g. working hours policy, collective bargaining) to rewards, should be free from any form of discrimination.

The Group respects and acts in accordance with recognised equity and diversity standards and works to support the principles of equal opportunity and equity of treatment through non-discriminatory procedures and practices, in line with the ILO International Labour Standards on Equality of Opportunity and Treatment.

The Richemont Speak Up Platform, which was opened to third parties, ensures a safe environment for anyone to raise concerns about unethical, illegal and inappropriate behaviour and practices. More information on the Speak Up Platform can be found in the Sustainability Governance chapter.

The completion of a worldwide DEI listening tour was critical in helping the organisation better capture the nuances of perceptions and expectations in relation to diversity. In FY24, Richemont focused on two main aspects of DEI, strengthening organisation equity processes and building cultural awareness through training and development initiatives.

With operations across the globe and a growing proportion of non-European employees, increasing inclusivity and understanding remains a priority for the Group.

## Programmes and Actions

### Reinforcing Equity

With respect to pay equity, over the course of last year the Group embarked on a collective journey to ensure that its employees are paid equitably across genders in every market where it operates. Having started the process in Switzerland and France, which represent two of the Group's largest employee populations, EQUAL-SALARY certification was achieved at a global level in FY24. The EQUAL-SALARY Certification is a process that allows companies to verify and communicate that gender equity is a strategic business concern and that employees are paid equally for the same role or for a work of equal value. The 12-month certification process for Richemont was independently audited by PricewaterhouseCoopers (PwC) and completed in November 2023. This involved a series of steps such as statistical analysis of compensation data, on-site audits, online surveys, in-person interviews – the result underlines Richemont's commitment to ensuring a fair and equitable wage policy between women and men for more than 38 000 employees (excluding YNAP and sites in Russia) across 39 markets.

The Group continued the roll out of the ConnectHER Talent Accelerator initiative launched in FY22 with a view to increasing the number of women in the pipeline for senior-level positions. The first cohort was drawn from teams across Maisons, regions and functions.

Richemont Europe launched She becomes, a programme focusing on empowering women to reach their full potential in leadership roles and equipping them with the necessary tools, skills, coaching and community to be fulfilled and successful. The programme aims to deepen participants' self-awareness, help them chart a path towards aspired senior leadership opportunities and support them in their development journey. She becomes also recognises the importance of involving managers as agents of change, to learn about inclusive leadership and how to act as powerful allies to support team members and other colleagues.

### Cross-Cultural Agility

To promote cultural awareness, building on partnerships across regions and functions, the 'Crossing Boundaries' programme was further rolled out during FY24. This programme aims to strengthen employees' cultural skills and enhance understanding of clients across the world, recognising local challenges and cultural complexities. Learning resources are made available through specific events and self-paced content on the #NeverStopLearning digital platform. Additional programmes were implemented by Maisons throughout the year.

Following a DEI HR diagnostic conducted in several regions, Cartier is developing a global DEI framework to empower its entities and markets to work on specific DEI topics that are culturally relevant to their local context. As a result, Cartier's local teams continue working on various DEI actions, creating action plans and defining objectives for their DEI topics. For example, Manufactures Cartier Horlogerie have implemented a DEI Statement and Cartier Joaillerie International has launched a

Disability Action Plan. To foster its continuous integration into the business, North America incorporates DEI as a regular topic for its boutiques morning briefings (Maison Mornings), creating a space for collective learning and celebration, and continues the successful work with the local DEI Council.

Also, with a view to addressing the stigma within the workplace around serious illnesses such as cancer or chronic conditions, Cartier signed the 'Working with Cancer' pledge. Additional examples of how Richemont's Maisons are integrating DEI programmes are outlined below.

Cartier North America launched its second cohort of the DEI Council comprised of 11 employees who serve as representatives of their teams and regions to continuously inform and localise the DEI strategy and actions. In partnership with Learning & Development, the DEI Council addressed both external and internal business challenges and presented their ideas and solutions to the Cartier North America Executive Committee.

Vacheron Constantin championed several innovative partnerships this year, including the launch of an internship programme with the non-governmental organisation 'Elles Bougent' focused on helping women access technological and scientific roles within companies. For the third consecutive year the Maison partnered with 'Démarche', a non-profit, public utility created to strengthen employability and support integration into the job market. 145 participants benefitted from coaching and internships in 2023, with 65 of them finding a job or professional training. Vacheron Constantin also partnered with the non-profit reinsertion association 'Travailleur Recherche Travail', welcoming candidates in four to 12-week watchmaking workshops to help them boost their self-confidence and re-enter the workforce.

This year, YNAP restructured its global Employee Resource Group Programme (ERG), to build a more inclusive workplace. 1 300 employees were engaged across seven different ERGs: AdaptAbility Network, Ethnic Equality Network, Greenroots Network, Parents and Caregivers Network, Pride Network, Women's Network and Young Professionals Network. Each network meets monthly and puts on a range of events, programmes and actions throughout the year for their members and the wider YNAP community.

Montblanc launched a new competency model to embed DEI principles across its recruitment process. To date over 3 000 employees, including all employees at their headquarters in Hamburg, Germany have been trained on, diversity, discrimination and unconscious bias. Every new employee will be trained on the competency model as part of their onboarding, and it is integrated into all employee performance reviews to ensure continuous improvement.

# Performance

In terms of strengthening organisation equity, as highlighted above, the achievement of the EQUAL-SALARY Foundation's certification in FY24 represents a major milestone in Richemont's efforts to build an attractive and inclusive workplace. The global EQUAL-SALARY certification is valid for three years.

Although the Group promotes gender balance, with female employees representing 58% of the total workforce and 50% of management positions, it continues to work towards a more equal balance in senior management, where the proportion of women on the Senior Executive Committee is 25%.

Also during the year, Richemont made progress in encouraging understanding of its rich cultural diversity through its learning initiatives including Crossing Boundaries initiative with learners from 18 Maisons in 21 countries benefitting from the programme in FY24.

# Ensuring the Health and Safety of our People

Richemont is committed to the constant improvement of health and safety in the workplace everywhere the Group operates.

This year, progress was made in strengthening the Health and Safety Management System, taking the necessary measures to enhance standards, guidance and best practices.

Maintaining a safe and healthy work environment is achieved through a strong safety culture developed through activities such as training and awareness campaigns. This section describes how the Group applies the dedicated measures that foster a culture of care and responsibility towards its employees and stakeholders, as also reinforced within the Richemont Human Rights Statement published in FY24.

## Management Approach

The Group's Health and Safety Management System is underpinned by the Group Security Policy and sets out responsibilities and rules covering all Richemont employees. It also applies to workers who are not directly employed by the Group, including contractors, service providers, customers and visitors in all its operations worldwide.

The management system complies with international and local laws, the International Labour Organisation's guidelines, SA8000, as well as the Group's Health and Safety Standards, to ensure that Richemont contributes to:

- protecting the safety of people by providing safe and healthy workplace conditions;
- prioritising the protection and safety of employees in the event of an incident or crisis; and
- taking steps to appropriately consult employees and other interested parties on matters affecting their health and safety, encouraging involvement and commitment to the health and safety agenda and the promotion of wellbeing at work.

The Group Security Health, Safety and Environment (Group Security HSE) team supports management in ensuring the Health and Safety Management System is continuously improved and updated to maintain its effectiveness over time. The team sets out 'Minimum Standards' and guidelines to complement the Security Policy and provide further guidance for all employees.

Minimum Standards specify controls required at Group's sites. They are based on the identification of risks across the Group's operations. They are mandatory and explain 'what' must be done, on topics such as Emergency Preparedness and Response, Electrical Safety and Increased Risk Activities or Compliance. They also cover environmental topics, such as environmental impact of activities, chemical spills, wastewater and waste.

Governed by the management system and steered by the Group Security Policy, the Maisons and regions implement their own Health and Safety Management Systems adapted to their specific contexts, in alignment with the Group's health and safety requirements. Their management, supported by those with specific health and safety responsibilities, is ultimately responsible for providing a safe working environment and reducing workplace hazards for both employees and external parties. This creates a localised operating model on health and safety management with a normative mission at Group level.

Richemont's Group Security HSE team ensures that every Group Maison and region complies with legal and HSE requirements as a minimum and strives to implement higher standards wherever appropriate. Maisons and regions are responsible for their compliance with applicable local legislation and regulations. The Group Security HSE team provides guidance and support to local teams, monitors health and safety performances globally and shares best practices.

The role of the Group Security HSE team also encompasses monitoring and responding to evolving legal requirements. This approach is guided by understanding the hazards and risks related to the Group's activities and prioritising appropriate mitigation of health and safety areas that are considered high risk.

As further detailed in the following sections, Richemont's action plan outlines the following objectives:

- identify, monitor and mitigate key risks and ensure compliance;
- proactively strengthen safety culture and behaviour;
- reinforce a data-driven strategy and approach; and
- continue to fortify the foundations of the Group's safety approach.

In FY24, the following actions were implemented to support the continuous improvement of the plan:

- defining a Health & Safety (H&S) Improvement Programme;
- updating the Minimum Standards and control measures on chemical safety and fire protection (amongst others);
- completing the roll-out of 'ChemGuard', an online tool for Chemical Safety Data Sheet management;
- carrying out the Group-wide Health and Safety Awareness Campaign; and
- improving health, safety and environment data and the dashboard with an automated and live data feed.

The H&S Improvement Programme aims to reinforce the Group's safety approach. To deploy it, the Group recruited a Health and Safety Project Manager. Health and safety roles and responsibilities across operations and processes, including legal compliance and incident management, have been further defined.

### Health and Safety Governance

The Group Security HSE Committee is composed of 15 members from across the Group (i.e., Legal, Human Resources, Sustainability, Supply Chain, etc.), and acts as the Richemont health, safety and environment governance body. The committee convenes biannually, and its agenda comprises, but is not limited to, regular updates on Group, regional, and local-based actions that promote effective communication and cooperation on health, safety and environment matters. Local committees are in place to consult and exchange information on health, safety and environment matters where required by local laws, regulations and needs.

In addition, Group Security HSE contributes to the Human Rights Taskforce as further described in the Sustainability Governance chapter.

Employees are informed on health and safety issues. They have the opportunity to raise any concerns, and receive feedback on the issues raised. The Health and Safety Hazard Identification and Risk Assessment document outlines that individuals responsible for the relevant activity should be consulted.

Richemont's employees and relevant parties can provide feedback on both the Group Health and Safety Management System and Maison and region-specific health, safety and environment arrangements via:
- a Group-wide email inbox;
- direct contact with local health, safety and environment representatives; and
- Maison and region-specific communication and cooperation arrangements (e.g. forums, briefings, internal social media, etc.).

### H&S Legal Compliance and Environmental Legislation

To ensure legal compliance, Richemont must meet applicable local and international laws and regulations related to health, safety and environmental matters. An online tool provides requirements based on local laws and allows HSE site representatives to identify and assess compliance with relevant legislation, according to their jurisdiction. In FY24, 311 legal self-assessments were completed to identify the potential gaps. Each applicable site is responsible for implementing mitigation actions if non-compliance is identified. These sites are also responsible for regular reviews and updates of the assessment as necessary, such as when legislation, regulation or significant workplace conditions change.

This year, the Group Security HSE team implemented analytics dashboards to enhance global compliance monitoring. The dashboards provide information on compliance levels for specific Maisons and regions, including improvement areas and tracked changes in compliance over time. At Group level, the dashboards have highlighted opportunities for improvement in standards and practices and gives risk owners visibility of their compliance status.

### Occupational Health Management

Occupational health is one of the core elements of the Group and local H&S Management Systems which include, amongst others, risk assessment and mitigation processes. Based on Richemont's Minimum Standards, Maisons and regions are required to have control measures in place, such as chemical exposure assessments, ergonomic workstation assessments or adequate ventilation, to prevent occupational illnesses.

Depending on the risk and the task, other actions include but are not limited to:
- safety guidelines (e.g. on rhodium plating activities);
- encouraging employee participation in the health and safety campaign 'Have a Safe Day';
- internal and external compliance assessment, using a sampling approach; and
- working environment analysis.

### Hazard identification, Risk Assessment and Incident investigation

As part of Richemont's Health and Safety management system, every site is required to carry out a hazard identification and risk assessment aimed at preventing occupational health and safety risks. To ensure consistency across the Group, the Group Security HSE team has developed a process for identifying hazards and assessing risks. This process is outlined in the Health and Safety Hazard Identification and Risk Assessment document. It provides a step-by-step procedure to:
- analyse activities, materials, equipment, infrastructure and the working environments of the site, as well as human factors, including activities with contractors or visitors;
- identify the associated hazards; and
- assess their severity, based on impact and likelihood.

The people carrying out the risk assessment have knowledge and experience of the risk assessment process. This process takes into account relevant information such as safety data sheets, incident reports, procedures, interviews with people carrying out the work, and applicable legal and regulatory requirements. The local regulations prevail in case of conflict with the Group process.

The risk assessment results are used to understand the effectiveness of current control measures and determine whether they should be adapted, or additional controls implemented. Both H&S representatives and those who are involved in the relevant activity are engaged to ensure quality and relevance. Assessments are reviewed and updated after significant incidents, when deemed necessary (e.g. prior to changes), and at least every two years. As part of the risk assessment and mitigation process, sites implement actions to reduce to an acceptable level or preferably eliminate the risk of work-related hazards.

By using the 'hierarchy of controls' method, Richemont promotes the concept of 'Safety by Design', which means that safety is taken into account from the early stages, for example, in the:
- construction or refurbishment of sites;
- procurement of safer machinery and equipment;
- communication of H&S risk management best practices; and
- management of chemical risk.

Any employee can report work-related hazards and hazardous situations through their local HSE representative and the Group Security HSE team or by using the internal Richemont Speak Up Platform, as described above. This feedback is strongly encouraged and anyone who speaks up will be protected from any possible reprisals. Employees have the right to withdraw from the immediate danger and escalate the issue, as appropriate. This also applies to workers who are not directly employed by the Group in all its operations worldwide.

Richemont Group Security oversees HSE data and has the authority to conduct independent and confidential investigations, where necessary. Where appropriate, Group Security can also investigate alongside Richemont Internal Audit.

### Chemical Health, Safety and Environmental Risk Management

The Chemical Management Framework forms the basis of Richemont's commitment to reducing the health, safety and environmental risks associated with the handling of chemicals and hazardous waste. It applies to Group Maisons and regions and subcontractors carrying out work on Group sites and describes the requirements for the safe and responsible management of chemicals used in the workplace.

This framework was developed by the Chemicals Management Committee, established in FY23 to strengthen the Chemical Management Framework. The committee meets regularly to further develop the Chemical Management Framework at Group level and consists of relevant stakeholders and experts from manufacturing sites, customer repair centres, and research and innovation departments. The committee's other achievements this year include:

- updating the Minimum Standards and control measures to reduce and more effectively manage the risks associated with the use of chemicals across the Group;
- developing guidelines on high-risk activities; and
- coordinating chemical substitution programmes.

This year, Group Security HSE achieved its objective to roll out ChemGuard, Richemont's chemical safety data management tool, across 100% of the Group's manufacturing sites, and successfully deployed it in 100% of repair centres around the world. ChemGuard enables the Group to understand which chemicals are used and where to provide users with vital safety and environmental information, as well as capturing and providing up-to-date access to Chemical Safety data sheets which contain critical information from chemical providers regarding their safe and appropriate use.

The completion of ChemGuard's roll-out was supported by an awareness campaign and individual support for each site, ensuring that the tool responds to local needs and context. Group Security HSE has provided training on this tool to local HSE representatives as well as many other employees who handle chemicals and have direct access to up-to-date Chemical Safety data sheets.

For more details on responsible chemical management, please see the Chemical Competence Center subsection in the Sustainability Governance chapter.

### Fire Prevention

Richemont recognises that fire safety is an essential part of HSE as a significant hazard. Insurance surveys were carried out at four critical sites in FY24, with a further four insurance surveys planned for FY25. These insurance surveys focus heavily on fire prevention and insurer expectations for risk management.

In addition to the comprehensive review and update of the relevant Minimum Standards for fire safety, specific guidelines for fire protection at corporate events and repair centres were also developed this year. For events and new critical construction projects, fire safety experts ensure compliance with local legislation, Group Minimum Standards and appropriate risk management.

Richemont's goal is to integrate fire safety technologies, materials, and designs into new projects at the outset, in line with the 'Safety by Design' concept. This approach incorporates fire safety considerations into the design and planning stages at an early point to optimise the overall safety and resilience of the built environment, thus providing ongoing expert input and guidance on new large-scale construction projects.

## Performance

Richemont has proactive measures in place to mitigate occupational risks and promote physical and mental health for employees, stakeholders and communities. The Group's dedicated reporting tools cultivate a culture of workplace safety across the business.

### Assurance Programme

As detailed in the Management approach subsection above, the Group's Minimum Standards require Maisons and regions to have a suitable and sufficient system in place to test the effectiveness of its controls. At Group level, each fiscal year the Group Security HSE Assurance programme defines a sample of sites within the Group to be assessed either by internal or external assessors to:

- ensure the site complies with the Group Security Physical Security and HSE Minimum Standard, as well as international and local legislation;
- guarantee that the site appropriately mitigates its key risks, based on information from key internal stakeholders, assessors' knowledge and market best practices; and
- collect any best practices.

During FY24, 25 HSE assessments were conducted in boutiques, offices, manufacturers and repair centres in various countries, against the Group's Minimum Standards. Results are documented in reports detailing findings and issues, enabling local management to respond, address and further mitigate risks. Each site then formalises an action plan with identified corrective actions, a timeframe for their completion and an explanation on how their effectiveness will be measured. Group Security validates the completion of corrective actions. The results of these assessments are analysed to identify opportunities for improvement.

In addition to the Assurance programme, regular meetings are held with Group Maisons and regions to ensure the Health and Safety Management System remains appropriate, adequate and effective. Indicators including the HSE legal compliance level and the number and types of H&S incidents are reviewed to assess the effectiveness of actions.

Each year, the Group Security HSE team also brings together HSE representatives and industry experts from across the Group. Interactive sessions are organised, promoting the exchange of best practice and lessons learnt on how to make the workplace safer. This year's topics included ergonomic work, maternity protection and strengthening safety culture and behaviour.

### Monitoring and Reporting HSE Incidents

Richemont has a dedicated tool called 'ONE INCIDENT', where all hazardous situations and other incidents are logged by the local HSE representatives, including those affecting workers who are not direct employees of the Group's Maisons and regions, as well as customers and visitors across operations worldwide.

ONE INCIDENT centralises information to ensure detailed investigations are undertaken based on the actual and potential impact of any significant incidents, so that targeted risk control measures can be implemented. In cases where Richemont employees and other parties have reason to believe that their health and safety is at unacceptable risk, they have the right to stop work at any time without reprisal. At that point, a risk assessment will be carried out to determine whether the task should be continued.

Within the ONE INCIDENT tool, Richemont groups the types of incidents into categories to enable trend analysis and hazard mitigation.

The top five types of work-related injuries from FY24 Recordable Incident Rate data are: concussions and bruises; dislocations, strains and sprains; superficial injuries; open wounds; physical shocks. The top five reported hazard categories that cause work-related injuries are: slips, trips, and falls; cutting, stabbing, puncture, friction and abrasion; hit by a falling or moving object; fall in staircases; road traffic accidents.

The top three types of work-related ill health are: irritations and allergies; effort pain (i.e. result of poor posture), lumbago; psychosocial factors. The top five reported hazard categories causing work-related ill health are: collapse, fainting, ill-health at workplace; contact with hazardous substances; ergonomics.

Group Security HSE team has developed HSE incident processes and guidelines for the reporting and investigation of such incidents. These improve the understanding of the causes of incidents and lead to appropriate action plans.

The incident investigation process includes the following steps:

1. Response – immediate response to the incident
2. Notification – notifying all relevant stakeholders
3. Creation in the dedicated Richemont tool ONE INCIDENT
4. Investigation – identification of immediate and root causes leading to the incident
5. Root cause analysis – applying a recognised investigation method
6. Implementation of identified mitigation measures
7. Completion of the report in ONE INCIDENT
8. Statistics – extraction of data for KPIs and trend analyses related to HSE incidents

Once the immediate and root causes have been identified, the residual risk should be mitigated as far as reasonably practicable. Corrective measures are determined with the Incident Investigation team, who then provide an action plan with SMART (Specific, Measurable, Agreed, Realistic and Time-scaled) objectives to address the immediate and root causes of the incident, which is recorded in the ONE INCIDENT tool.

Richemont had zero work-related fatalities in either FY24 or FY23 and zero high-consequence work-related injuries in FY24.

The Group acknowledges that there has been an increase in recordable work-related injuries, which must be addressed. Part of this increase is a result of a Group-wide awareness campaign on occupational health and safety risks and on the importance of reporting incidents, as well as continuous improvements in the incident data collection arrangements.

Detailed statistics on work-related injuries and ill-health are available in the 'Social Data Set' section in this chapter.

The processes and guidelines implemented for reporting and investigating incidents also cover and apply to environmental incidents. ONE INCIDENT is also used and in FY24, eight environmental incidents were recorded (FY23: three) through the tool. Seven of these incidents were related to leaks and spills of substances. They were immediately addressed, and the relevant authorities notified, when necessary. These incidents resulted in no injury, no significant environmental impact, and no impact on production. The last incident was related to water effluent tested over the discharge consent limits. It was rerouted from normal sewage to a dedicated bulk container and disposed of as hazardous waste as per legal requirements.

### Health and Safety Training and Campaigns

Health and Safety training for employees is provided via the Group Learning Management System, where employees can choose an appropriate module based on their individual needs. The modules are available to all employees in multiple languages, and local Maisons and regions provide further in-depth H&S training on work-related hazards based on risk assessments and local legislation. In FY24, 33 567 training modules were delivered to employees across the Group.

Group-wide Health and Safety campaigns are organised under the 'Have a Safe Day' theme. This year, the focus was on the prevention of slips, trips and falls, fire protection, ergonomics, and tips to improve sleep health. Amongst the campaign's successes, there was an increase in the number of incidents being reported in the weeks that followed. Next year's focus will be on safe mobility and the safe use of chemicals.

These campaigns, learning modules and guidelines are developed on the basis of identified risks and incident trend analysis, such as this year's Group guidelines on the safe use of ladders. Next year, the plan is to provide training on incident investigation techniques and to further centralise data relating to the local H&S training.

Sharing of expertise is vital to enhancing the Group's knowledge base and promoting better health and safety management across Maisons and regions. Although the Health and Safety Management System requires the appointment of Health and Safety Representatives, local line management and representatives are responsible for defining their own training and competency needs.

For example, Van Cleef & Arpels' offices in Paris received WELL Gold certified in September 2023. The WELL Building Standard™ is a performance-based system that scores an office space on its ability to improve human health and promote wellbeing for all. The organisation receives a score across ten principles, from air quality, light and thermal comfort, to sound, movement and community. Van Cleef & Arpel's newly renovated Jardine House office space has also been certified with two stars from Fitwel®, the world's leading certification system committed to building health for all. Generated by expert analysis of 7 000+ academic research studies, Fitwel Scorecards include 55+ evidence-based design and operational strategies that enhance buildings by addressing a broad range of health behaviours and risks.

# Global HR Data FY24 (GRI 2-7)

**(Headcount as of the end of March 2024)**

FY24 HR data does not include data related to YNAP and the Maison, Gianvito Rossi and the Manufacture Miles, acquired during the reporting period.

*FY23 HR data excludes YNAP and Delvaux.

**Table 1: Information on total number of employees, per employment type, by gender**

| | FY23* | | | | FY24 | | | |
|---|---|---|---|---|---|---|---|---|
| | Female | Male | Total | % of total headcount | Female | Male | Total | % of total headcount |
| Permanent and Temporary Employees | 20 469 | 15 350 | 35 819 | | 22 249 | 16 206 | 38 455 | |
| | 57.1% | 42.9% | | | 57.9% | 42.1% | | |
| Permanent | 18 734 | 14 316 | 33 050 | 92.0% | 20 286 | 15 080 | 35 366 | 92.0% |
| | 56.7% | 43.3% | | | 57.4% | 42.6% | | |
| Temporary | 1 735 | 1 034 | 2 769 | 8.0% | 1 963 | 1 126 | 3 089 | 8.0% |
| | 62.7% | 37.3% | | | 63.5% | 36.5% | | |
| Full Time | 18 594 | 14 830 | 33 424 | 93.0% | 20 308 | 15 630 | 35 938 | 93.5% |
| | 55.6% | 44.4% | | | 56.5% | 43.5% | | |
| Part Time | 1 875 | 520 | 2 395 | 7.0% | 1 941 | 576 | 2 517 | 6.5% |
| | 78.3% | 21.7% | | | 77.1% | 22.9% | | |

**Table 2: Information on total number of employees per employment type by region**

| | FY23* | | | | | | FY24 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Americas | Asia Pacific | Europe | Japan | Middle East India South Africa | Total | Americas | Asia Pacific | Europe | Japan | Middle East India South Africa | Total |
| Permanent and Temporary Employees | 3 776 | 8 622 | 19 896 | 2 115 | 1 410 | 35 819 | 4 075 | 9 308 | 21 214 | 2 272 | 1 586 | 38 455 |
| | 10.5% | 24.1% | 55.5% | 5.9% | 3.9% | | 10.6% | 24.2% | 55.2% | 5.9% | 4.1% | |
| Permanent | 3 653 | 8 383 | 17 828 | 1 958 | 1 228 | 33 050 | 3 991 | 9 033 | 18 816 | 2 115 | 1 411 | 35 366 |
| | 11.1% | 25.4% | 53.9% | 5.9% | 3.7% | | 11.3% | 25.5% | 53.2% | 6.0% | 4.0% | |
| Temporary | 123 | 239 | 2 068 | 157 | 182 | 2 769 | 84 | 275 | 2 398 | 157 | 175 | 3 089 |
| | 4.4% | 8.6% | 74.7% | 5.7% | 6.6% | | 2.7% | 8.9% | 77.6% | 5.1% | 5.7% | |
| Full Time | 3 747 | 8 562 | 17 596 | 2 114 | 1 405 | 33 424 | 4 048 | 9 246 | 18 790 | 2 272 | 1 582 | 35 938 |
| | 11.2% | 25.6% | 52.6% | 6.3% | 4.2% | | 11.3% | 25.7% | 52.3% | 6.3% | 4.4% | |
| Part Time | 29 | 60 | 2 300 | 1 | 5 | 2 395 | 27 | 62 | 2 424 | 0 | 4 | 2 517 |
| | 1.2% | 2.5% | 96.0% | 0.0% | 0.2% | | 1.1% | 2.5% | 96.3% | 0% | 0.2% | |

69.5% of employees in Richemont Europe covered by collective bargaining agreements.

# Diversity HR Data FY24 (GRI 405-1)

**Table 3: Diversity of the highest governance body, by gender and age group (%)**

| | FY23* | | | | FY24 | | | |
|---|---|---|---|---|---|---|---|---|
| | Female | Male | 50+ | Total number | Female | Male | 50+ | Total number |
| Senior Executive Committee | 40% | 60% | 100% | 5 | 25% | 75% | 100% | 8 |

**Table 4: Diversity of employee per employee category, by gender (%)**

| | FY23* | | | FY24 | | |
|---|---|---|---|---|---|---|
| | Female | Male | Total | Female | Male | Total |
| Contributors | 49.4% | 35.3% | 84.7% | 50.0% | 34.6% | 84.5% |
| Middle Management | 5.9% | 5.4% | 11.3% | 6.1% | 5.4% | 11.5% |
| Senior Management | 1.8% | 2.2% | 4.0% | 1.8% | 2.2% | 4.0% |
| **Total** | **57.1%** | **42.9%** | **100.0%** | **57.9%** | **42.1%** | **100.0%** |

| | FY23* | | | FY24 | | |
|---|---|---|---|---|---|---|
| | Female | Male | Total | Female | Male | Total |
| Boutique | 19.7% | 10.5% | 30.2% | 19.9% | 10.7% | 30.5% |
| Manufacturing | 9.6% | 13.5% | 23.1% | 10.0% | 13.3% | 23.3% |
| Offices | 27.8% | 18.9% | 46.7% | 28.0% | 18.2% | 46.2% |
| **Total** | **57.1%** | **42.9%** | **100.0%** | **57.9%** | **42.1%** | **100.0%** |

**Table 5: Diversity of employee per employee category, by age group (%)**

| | FY23* | | | | FY24 | | | |
|---|---|---|---|---|---|---|---|---|
| | <30 | 30-50 | 50+ | Grand total | <30 | 30-50 | 50+ | Grand total |
| Contributors | 18.6% | 52.3% | 13.8% | 84.7% | 18.9% | 52.1% | 13.5% | 84.5% |
| Middle Management | 0.3% | 8.9% | 2.1% | 11.3% | 0.3% | 9.1% | 2.1% | 11.5% |
| Senior Management | 0.0% | 2.7% | 1.3% | 4.0% | 0.0% | 2.6% | 1.3% | 4.0% |
| **Total** | **18.9%** | **63.9%** | **17.2%** | **100.0%** | **19.2%** | **63.8%** | **17.0%** | **100.0%** |

| | FY23* | | | | FY24 | | | |
|---|---|---|---|---|---|---|---|---|
| | <30 | 30-50 | 50+ | Grand total | <30 | 30-50 | 50+ | Grand total |
| Boutique | 4.9% | 22.2% | 3.1% | 30.2% | 4.9% | 22.6% | 3.1% | 30.5% |
| Manufacturing | 3.7% | 12.8% | 6.6% | 23.1% | 4.1% | 12.7% | 6.5% | 23.3% |
| Offices | 10.3% | 28.9% | 7.5% | 46.7% | 10.2% | 28.5% | 7.5% | 46.2% |
| **Total** | **18.9%** | **63.9%** | **17.2%** | **100.0%** | **19.2%** | **63.8%** | **17.0%** | **100.0%** |

# New Employee Hires and Employee Turnover (GRI 401)

**Table 6: Total Number of New Employee Hires, by age group and gender**

| | FY23* | FY24 |
|---|---|---|
| Total number of New Employee Hires | | 9 577 |
| Total Employee Turnover Rates | 13.3% | 12.8% |

| | FY24 | | | |
|---|---|---|---|---|
| | <30 | 30-50 | 50+ | Total |
| Female | 32.9% | 28.4% | 2.3% | 63.6% |
| Male | 18.4% | 16.4% | 1.5% | 36.4% |
| **Total** | **51.4%** | **44.8%** | **3.8%** | **100.0%** |

# Training and Education HR Data FY24 (GRI 404)

### Average hours of training (GRI 404-1)

**Table 7: Average hours of training per employee, by gender**

| | FY23* | FY24 |
|---|---|---|
| Male | 8.99 | 8.54 |
| Female | 7.35 | 10.03 |
| **Total** | **8.29** | **9.40** |

**Table 8: Average hours of training per employee, by employee category**

| | FY23* | FY24 |
|---|---|---|
| Contributors | 8.25 | 9.10 |
| Middle Management | 9.34 | 12.23 |
| Senior Management | 6.01 | 7.73 |
| **Total** | **8.29** | **9.40** |

| | FY23* | FY24 |
|---|---|---|
| Boutique | 11.96 | 15.60 |
| Manufacturing | 4.36 | 3.78 |
| Offices | 7.85 | 8.14 |
| **Total** | **8.29** | **9.40** |

### Percentage of Employees Receiving Regular Performance Reviews (GRI 404-3)

**Table 9: Percentage of employees receiving regular performance reviews, by gender**

| | FY23* | | | FY24 | | |
|---|---|---|---|---|---|---|
| | No | Yes | Total | No | Yes | Total |
| Female | 15.9% | 84.1% | 100.0% | 16.5% | 83.5% | 100.0% |
| Male | 14.0% | 86.0% | 100.0% | 13.5% | 86.5% | 100.0% |
| **Total** | **15.1%** | **84.9%** | **100.0%** | **15.2%** | **84.8%** | **100.0%** |

### Percentage of Employees Receiving Regular Performance Reviews (GRI 404-3) continued

**Table 10: Percentage of employees receiving regular performance reviews, by employee category**

| | FY23* | | | FY24 | | |
|---|---|---|---|---|---|---|
| | No | Yes | Total | No | Yes | Total |
| Contributors | 16.1% | 83.9% | 100.0% | 16.4% | 83.6% | 100.0% |
| Middle Management | 8.0% | 92.0% | 100.0% | 8.1% | 91.9% | 100.0% |
| Senior Management | 12.7% | 87.3% | 100.0% | 11.2% | 88.8% | 100.0% |
| **Total** | **15.1%** | **84.9%** | **100.0%** | **15.2%** | **84.8%** | **100.0%** |

| | FY23* | | | FY24 | | |
|---|---|---|---|---|---|---|
| | No | Yes | Total | No | Yes | Total |
| Boutique | 10.0% | 90.0% | 100.0% | 11.0% | 89.0% | 100.0% |
| Manufacturing | 13.4% | 86.6% | 100.0% | 11.7% | 88.3% | 100.0% |
| Offices | 19.2% | 80.8% | 100.0% | 19.9% | 80.1% | 100.0% |
| **Total** | **15.1%** | **84.9%** | **100.0%** | **15.2%** | **84.8%** | **100.0%** |

### Percentage of Employees Receiving Career Development Reviews (GRI 404-3)

**Table 11: Percentage of employees receiving career development reviews, by gender**

| | FY23* | | | FY24 | | |
|---|---|---|---|---|---|---|
| | No | Yes | Total | No | Yes | Total |
| Female | 30.2% | 69.8% | 100.0% | 21.9% | 78.1% | 100.0% |
| Male | 36.4% | 63.6% | 100.0% | 26.5% | 73.5% | 100.0% |
| **Total** | **32.8%** | **67.2%** | **100.0%** | **23.9%** | **76.1%** | **100.0%** |

**Table 12: Percentage of employees receiving career development reviews, by employee category**

| | FY23* | | | FY24 | | |
|---|---|---|---|---|---|---|
| | No | Yes | Total | No | Yes | Total |
| Contributors | 33.3% | 66.7% | 100.0% | 24.2% | 75.8% | 100.0% |
| Middle Management | 27.7% | 72.3% | 100.0% | 19.4% | 80.6% | 100.0% |
| Senior Management | 37.3% | 62.7% | 100.0% | 30.5% | 69.5% | 100.0% |
| **Total** | **32.8%** | **67.2%** | **100.0%** | **23.9%** | **76.1%** | **100.0%** |

| | FY23* | | | FY24 | | |
|---|---|---|---|---|---|---|
| | No | Yes | Total | No | Yes | Total |
| Boutique | 24.9% | 75.1% | 100.0% | 16.4% | 83.6% | 100.0% |
| Manufacturing | 43.7% | 56.3% | 100.0% | 28.9% | 71.1% | 100.0% |
| Offices | 32.5% | 67.5% | 100.0% | 26.2% | 73.8% | 100.0% |
| **Total** | **32.8%** | **67.2%** | **100.0%** | **23.9%** | **76.1%** | **100.0%** |

# Health and Safety Data

**Table 13: Statistics of work-related injuries and ill-health* in FY23 (GRI403)**

| | Employees Work-related Injuries | | |
|---|---|---|---|
| | FY22 | FY23 | FY24 |
| Fatalities as a result of work-related injury | Number: 0<br>Rate: 0 | Number: 0<br>Rate: 0 | Number: 0<br>Rate: 0 |
| High-consequence work-related injuries | Number: 1<br>Rate: 0.00326 | Number: 2<br>Rate: 0.005899 | Number: 0<br>Rate: 0 |
| Recordable work-related injuries | Number: 143<br>Rate: 0.46647 | Number: 178<br>Rate: 0.52497 | Number: 302<br>Rate: 0.83724 |

| | Employees Work-related Ill Health | | |
|---|---|---|---|
| | FY22 | FY23 | FY24 |
| Fatalities as a result of work-related ill health | Number: 0<br>Rate: 0 | Number: 0<br>Rate: 0 | Number: 0<br>Rate: 0 |
| Recordable work-related ill health | Number: 15<br>Rate: 0.04893 | Number: 20<br>Rate: 0.05899 | Number: 21<br>Rate: 0.05822 |
| Number of hours worked | 61 311 440 | 67 813 170 | 72 141 975 |

* Reporting of Health and Safety Data is based on financial year (1 April 2023 – 31 March 2024). The table has been adapted to show the FY22, FY23 and FY24 data.

In order to facilitate the review of the above table, the following definitions are provided:

**High-consequence work-related injury:** work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.

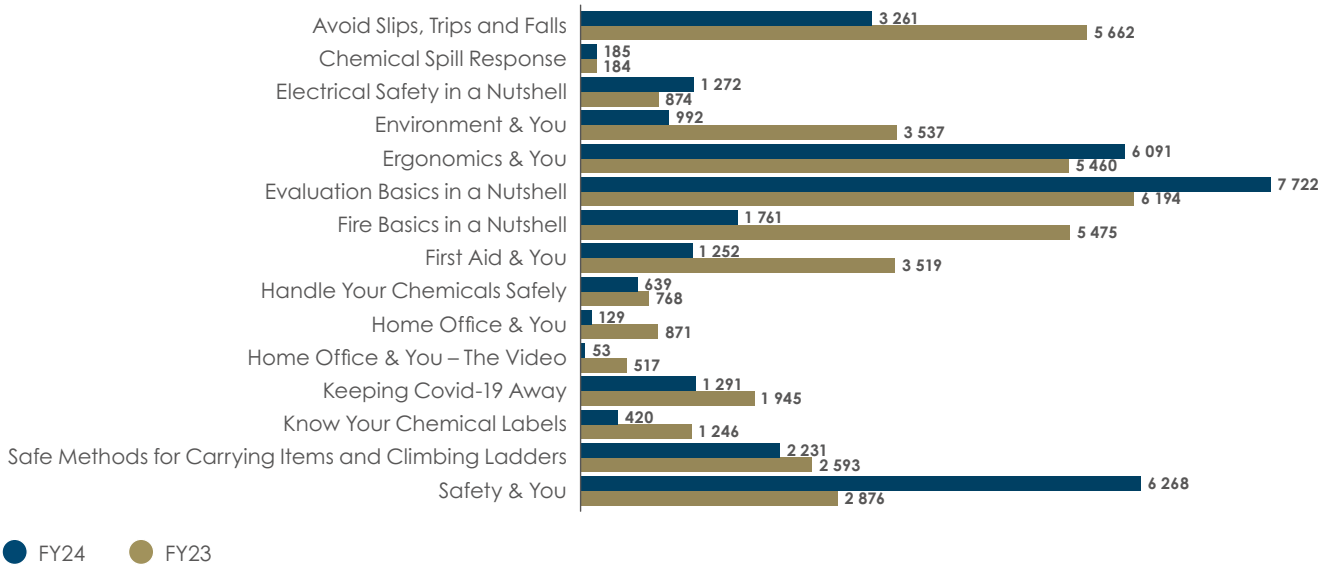
**High-consequence work-related injury rate = (Number of high-consequence work-related injuries* 200 000) / number of hours worked.**

**Recordable work-related injury or ill health:**
- Any work-related fatality;
- Any work-related injury or illness that results in loss of consciousness, days away from work, restricted work or transfer to another job;
- Any work-related injury or illness requiring medical treatment beyond first aid;
- Any work-related diagnosed case of cancer, chronic irreversible diseases, fractured or cracked bones or teeth and punctured eardrums.

**Recordable work-related injury or ill health rate = (Number of recordable injuries or ill health* 200 000) / number of hours worked.**

**Number of Participants per H&S Training Module**

33 567 Completed H&S Modules in FY24 (30 399 completed in FY23).



# Influencing our Supply Chain

# Introduction

Richemont predominantly produces its creations in Europe and aims to encourage and shape responsible conduct in all material aspects within its supply chains. The Group continues to build its management system to enable the identification and mitigation of potential ESG impacts and risks along its supply chains. This effort is supported by the Group's Supplier Code of Conduct (SCoC) and active promotion of certification standards, such as those of the Responsible Jewellery Council (RJC). In this respect, collaboration across Richemont's supply chains is an enabler to foster continuous improvement.

## Management Approach

The Group acknowledges the complexities involved in addressing material topics related to the supply chain. Achieving supply chain transparency and traceability, for instance, can present its own set of challenges. In response, Richemont adopts a proactive and diligent approach. This also applies to other material topics, such as conflict minerals, human rights, labour standards, as well as animal welfare.

Additional details on these assessments are described in the Introduction and Sustainability Governance chapters, specifically in Business and Human Rights subsection. The Group has a substantial and diverse number of suppliers around the world.

With a risk-based approach in mind, the Group has enhanced its management systems tailored to risk assessment and due diligence processes for the supply chains of gold, diamonds, coloured gemstones, leather, and watch components, building on the identified material topics.

Additional details about how Richemont is ensuring responsible sourcing across these supply chains are provided in the following sections of this chapter.

Richemont is consolidating its practices and streamlining its supply chain governance, assessment methodologies and actions across its Maisons. In FY24, the Group developed the Responsible Sourcing Handbook, available internally, to establish a common framework around risk management and the due diligence methodologies implemented in raw material supply chains, in line with the Group's values and applicable legal requirements.

The SCoC, the Raw Materials Sourcing Policy and the Group Procurement Policy, as further described below and in the following subchapters, provide the foundation of the Group's responsible sourcing approach. The Human Rights Statement, published in FY24, aims to strengthen the current standards and reinforce the Group's commitment to addressing human rights risks. The dedicated section within the Sustainability Governance chapter provides further details on the Group's approach to human rights, including priority areas with respect to supply chains. Richemont also adheres to the requirements of Articles 964 j-l of the Swiss Code of Obligations. The Group's disclosure relating to conflict minerals and child labour is provided in the Appendix.

### Policies and Standards

Richemont's SCoC outlines the requirements that suppliers must comply with, including business ethics, labour and human rights, and environmental protection. The SCoC is based on the International Labour Organization (ILO) conventions, the Universal Declaration of Human Rights, and the Organisation for Economic Co-operation and Development (OECD) Guidelines. The SCoC is updated regularly to further strengthen the Group's compliance procedures and to provide clear guidance to its business partners. The following subsections highlight how SCoC principles are mirrored in the management systems of, amongst others, gold, diamonds, coloured gemstones, leather and watch components supply chains. With respect to the SCoC's provisions on animal welfare, the Group recognises the importance of addressing any compliance risks related to the trade in protected species. Details about the coverage of the SCoC are available in the dedicated SCoC performance table in this section.

Richemont requires its business partners to adhere to certification systems such as those of the Responsible Jewellery Council (RJC), the Leather Working Group (LWG), ISO 14001, ISO 45001, and SA8000. In addition, supplier audits based on the Sedex Members Ethical Trade Audit (SMETA) methodology are conducted. SMETA is the most widely used format for social audits in the world, enabling businesses to assess their sites and suppliers to understand working conditions in their supply chain. The SMETA audit assesses standards of labour, health and safety, environmental performance, and ethics within a supplier site and is designed to help protect workers from unsafe conditions, overwork, discrimination, low pay, and forced labour. Delivered by an approved auditor company, any required corrective action plan are then provided to help the supplier improve performance in these areas. By implementing these certifications and audit methodologies, Richemont aims at maintaining reasonable control over its suppliers' environmental and social impacts. This will be explored in detail in the following sections.

An important pillar in the Group's strategy is to promote the Responsible Jewellery Council's (RJC) Code of Practices (CoP) and Chain of Custody (CoC) certifications across the relevant supply chains, as further described in the following sections.

The RJC has established comprehensive standards through its CoP and CoC, aimed at ensuring the integrity of the jewellery and watch supply chain. To gain the RJC's CoP certification, members must adhere to a wide array of criteria that cover, among others, responsible business practices, due diligence for responsible sourcing, human rights, labour rights, environmental impact, and product disclosure. The RJC CoC certification focuses on the traceability of precious metals. It assures that gold, whether of recycled or mined origin, meets the strict sustainability criteria defined by the CoC standard and is handled only by RJC COP-certified members, whose processes guarantee that no gold that does not meet these conditions is mixed. These certifications require an independent third-party audit to verify the member's adherence to both standards.

### Suppliers Code of Conduct (SCoC) Performance Table

| | Metric | 2025 Target | Progress at 31 March 2023 | Progress at 31 March 2024 |
|---|---|---|---|---|
| **SCoC signed*** | % of purchased value from suppliers that signed the Code or provided an equivalent commitment | 80% | 76% | 79% |
| **SCoC signed – watches and jewellery** | % of purchased value from suppliers that have signed the Code | 80% | 97%* | 96% |
| **SCoC signed – leather** | % of purchased value from suppliers that signed the Code | 100% | 94% | 98% |
| **SCoC signed – marketing materials** | % of purchased value from suppliers that signed the Code or provided an equivalent commitment | 90% | 85% | 83% |

* Restated figure; further details on the restatement is described in Basis of Preparation.

### Governance and Accountability

The Group Director of Operations provides updates to the SEC on supply chain matters on a regular basis. The Responsible Sourcing team is in charge of deploying policies at the Group level, working across all the raw material supply chains in its scope. Dedicated experts are assigned to each core supply chain, who verify the Due Diligence process application, including risk assessment, and report and escalate potential impact where and if needed.

Core raw material supply chains are managed by Richemont's Maisons and, except textiles and perfumes, coordinated and overseen by dedicated centres of excellence at the Group level, to ensure that best practices are followed in sourcing and procurement. The Maisons have autonomy in their procurement process; however, as underlined above, they must deploy the SCoC principles and the Group Procurement Policy.

In FY24, the Influencing Supply Chain Committee was established. It is chaired by Group Responsible Sourcing and includes representatives from Group Sustainability, Group Procurement and Group Legal. The Committee's objective is to prioritise and oversee the implementation of ESG programmes across the supply chain.

### Risk Management and Due Diligence

Richemont performs due diligence following a risk-based approach, taking into account the nature of the relationship with its suppliers corresponding to their risk profile.

Due diligence conducted on the direct procurement of raw materials follows the methodology recommended by the OECD and incorporates the requirements of the appropriate standard setting organisations (RJC, SMETA, ISO), including a specific focus on child labour and conflict minerals. In this context, promoting supply chain transparency is considered as a risk mitigation tool to trace raw materials back to their origin. Richemont defines 'Transparency' as a capacity to identify the name and location of all actors in the upstream supply chains up to the origin of the raw material. Transparency is one of the traceability criteria.

The following subsections provide further details on risk management and due diligence for gold, diamonds, coloured gemstones, watch components and leather supply chains.

On textile supply chain, risk assessment and audits are conducted at Maisons level. In light with its continuous improvement approach, the Group is consolidating and harmonising existing risk management methodologies.

Following the review of indirect procurement practices to improve its global framework, the Group aims to seize opportunities and manage risks whilst remaining competitive, accountable, and compliant with applicable regulations. Building upon the global initiative to transform the Group's indirect procurement organisation, supply chain- related practices, vendor management, procure-to-pay processes, and the overall control environment have been improved. The strategic programme for sourcing resulted in a global procurement transformation plan which focuses on organisation, processes, digitalisation and ESG requirements. To manage ESG risks associated with indirect procurement categories, Richemont evaluates suppliers leveraging documentary audits. The Group's risk management strategy leverages both country and industry-specific risks identified by international standards and risk indices.

Richemont uses ESG screening tools to benefit from recognised international aggregated data. Procurement categories experts review key spend categories to evaluate the inherent risks associated with each indirect procurement activity. Overall, the risk management approach in indirect procurement is driven by a rigorous methodology that leverages a blend of recognised international standards, ESG screening tools, and expert evaluation.

In the space of the indirect procurement categories, Richemont prioritised those with the most potential inherent environmental and social significant risks, specifically related to construction and maintenance, Point of Sales Materials (POSM), product packaging, and facilities management.

Mapping the supply chain is part of the due diligence process and includes the identification of suppliers through the Know Your Counterparty (KYC) procedure. The latter has been established to combat money laundering and finance of terrorism, requiring businesses to identify every organisation that they deal with, to understand the legitimacy of their business relationships and, within reason, to identify and react to unusual or suspicious transaction patterns.

# Gold

Gold is and always has been one of the most sought-after precious metals used to make watches and jewellery.

Given its importance to many of the unique creations that the Group's Maisons design and craft, Richemont is committed to sourcing gold in a responsible way. This section outlines the role of Varinor, the Group's Swiss-based precious metal foundry and refinery, that ensures a consistent and unique approach to gold supply chain management. Additionally, it details the management and due diligence processes in place to operationalise our responsible sourcing ambitions.

## The Value Chain

Richemont centralises its fine gold procurement through Varinor, ensuring a unique and consistent application of sourcing rules. Varinor serves as the primary entry point of the gold for the Group, and all the gold it supplies to the Maisons must be RJC CoC-certified. In addition, Varinor purchases gold solely from selected suppliers following an extensive due diligence process, including mandatory auditing. All of Varinor's Tier 1 suppliers are gold refiners and requested to be RJC CoP- and CoC-certified.

The RJC's CoP standard outlines the criteria for implementing responsible practices across the jewellery supply chain, from mining to retail. In addition, the RJC's CoC standard specifies the criteria for establishing a documented CoC for precious metals that are responsibly produced, processed, and traded.

Varinor has been a member of the RJC and certified according to the CoP since December 2011, and according to the CoC since December 2014. These certifications were renewed in 2023.

## Management Approach

### Standards and Policies

Richemont's SCoC upholds the Group's principles, commitments and requirements across the gold supply chain, and these standards and policies are designed to be continuously updated in response to industry-specific changes. The SCoC and the Richemont Raw Materials Sourcing Policy form the backbone of Richemont's risk management and due diligence process for gold, as described in more detail in the subsection below.

As highlighted in the introductory section of this chapter, an important pillar in Richemont's responsible sourcing strategy is RJC Certification System, which requires the RJC's members to be audited by accredited third-party auditors in order to obtain and renew their certifications.

### Governance

Governance of the Group's fine gold purchases is provided by the Gold Sourcing Committee (GSC), which oversees the definition of purchasing standards, the validation of Varinor's sourcing decisions, the control of the panel of existing suppliers, and the monitoring of purchases and due diligence reports. It is chaired by the Group Director of Operations, who reports to the Group CEO. Members of the GSC include representatives of our leading Watch and Jewellery Maisons, as well as the Group Chief Sustainability Officer, the Group Responsible Sourcing Director, the Managing Director of Varinor, and senior experts.

Following the recommendations of the GSC, Varinor favours as much as possible the supply chains of RJC CoC-certified recycled gold of industrial origin and old jewellery. Grandfathered gold can only be considered when there is a shortage of recycled gold and must then be submitted to the GSC for validation. Any fundamental modification to the gold sourcing strategy requires approval by Richemont's Senior Executive Committee.

# Risk Management and Due Diligence

Richemont conducts risk management and due diligence, guided by the policies and standards described above, to ensure transparency across the gold supply chain and generate appropriate mitigation strategies.

Varinor's Managing Director is responsible for the company's due diligence management system. This system includes risk identification and assessment for both new and existing business relationships.

Varinor's due diligence process follows the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas – supplement on Gold. This includes red flag identification and risk management processes.

### Risk Identification and Assessment

A risk monitoring system is in place for every new and existing business relationship. New relationships are subject to a thorough evaluation and approval process including a risk analysis assessment, review of documentary evidence, and on-site visits. Some of the risks associated with the supply chain include corruption, money laundering, and the potential introduction of illegitimate gold through pre-owned jewellery.

### Risk Management

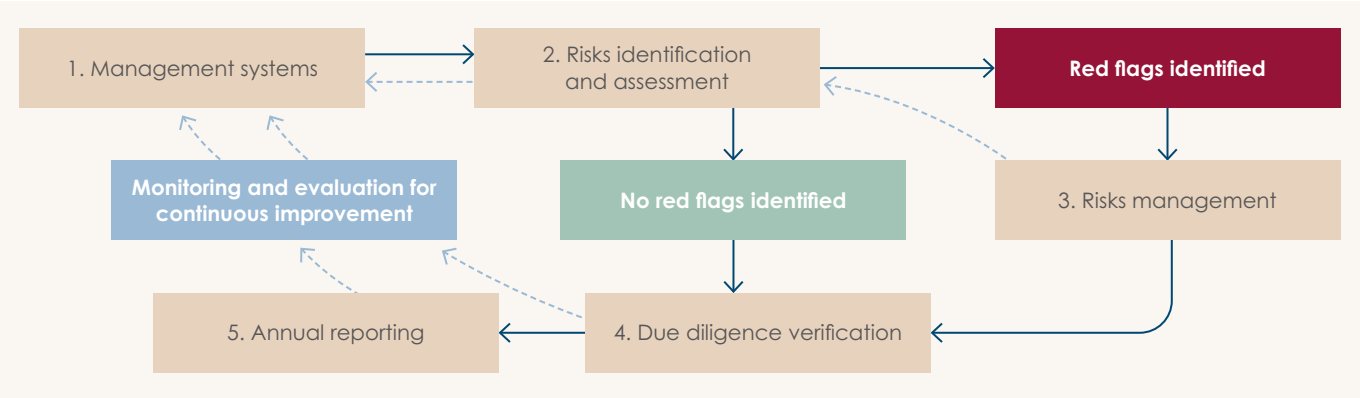
The due diligence management system is supported by decision-making guidelines regarding, amongst others, the countries of origin. Varinor prioritises countries that have strict laws regulating the trade of gold and excludes Conflict-Affected and High-Risk Area (CAHRA) countries. To address the potential risks, Varinor implements comprehensive measures upstream, including but not limited to, the selection of the country of origin, regular audits of Tier-1 suppliers, field visits of Tier-2 suppliers, and review of documentary evidence. UNICEF's Child Rights in the Workplace Index is also utilised to assess the suppliers based on their country-level risk information.

Internal experts, additionally, carry out routine audits and field visits to oversee suppliers' due diligence processes and gather information on the sources of the gold.

The Varinor due diligence system is audited every three years by an independent party as part of the RJC's CoP certification process, and these audit results are available on the RJC website.

All of the above is supported by a supply chain traceability system. The Group defines traceability and transparency as follows:

- Traceability: A process by which Richemont tracks materials and products through the supply chain. Traceability criteria and scope depend on the supply chain and/or the product to be traced;
- Transparency: Capacity to identify the name and location of all actors in the upstream supply chains up to the origin of the raw material. Transparency is one of the traceability criteria.




# Alloyed Gold

Alloyed gold (e.g. 18-carat) is used to produce components both internally and by external suppliers.

Richemont monitors the RJC certification coverage at Tier 1 as detailed below in FY24:

- Jewellery: 97% of the 'façon' value is provided by RJC CoP-certified suppliers;
- Watches: 99% of the gold components (in weight of gold) are provided by RJC CoP-certified suppliers.

# Diamonds

Diamonds have always been an integral part of Richemont's Maisons' heritage. Each diamond that goes into creating the iconic pieces of the Group's Maisons is unique, and its origin is guaranteed to be natural.

To ensure that the Maisons deliver on this promise to customers, maintaining the integrity and responsible sourcing practices, Richemont has established risk management and due diligence processes, which are explained in detail in this section.

## The Value Chain

Diamonds are extracted from mines, and passed on to the rough trade where they are sorted and sold based on their quality characteristics. Experienced craftsmen then process the diamonds by cutting and polishing the rough stones to transform them into faceted gems. As diamonds undergo these phases, they are categorised and graded based on the 'Four Cs': cut, colour, clarity, and carat weight. Richemont exclusively purchases cut diamonds.

## Management Approach

### Policies and Standards

The SCoC and the Raw Materials Sourcing Policy are designed to maintain a transparent and compliant supply chain while reinforcing the commitments and requirements of its suppliers.

Suppliers must only provide natural, untreated diamonds from legitimate sources that adhere to the Group's quality, naturality and traceability requirements.

Richemont's Raw Materials Sourcing Policy ensures that all diamonds purchased by its Maisons are compliant with the Kimberley Process Certification Scheme (KPCS), and all suppliers must comply with the System of Warranties of the World Diamond Council (WDC). The policy also supports origin traceability.

The Group applies its standards and relevant laws to maintain its responsible practices. Since 2022, ahead of the G7 regulation enforced in 2024, Richemont has taken appropriate measures to stop the sourcing of any diamonds of Russian mining origin extracted after February 2022. A framework has been put in place to govern relevant measures, such as third-party audit traceability campaigns to check the segregation flow for origin restrictions requirements. This above-mentioned restriction comes in addition to one existing since 2017 on Zimbabwe.

### Governance

The Group Maisons are responsible for procuring their own diamonds while the sourcing governance is overseen by the Stone Supply Chain Committee (SSCC) at the Group level.

The SSCC was established in April 2022 as the highest governing body that oversees risk assessments, focusing on reputational, environmental, social, and supplier sustainability dimensions. It sets the standards, procedures, and control rules for the Group and approves tools for mitigation and improvement. The SSCC conducts regular meetings during the year and the Group Director of Operations, who is a member of the SSCC, provides regular updates to the SEC and the Governance and Sustainability Committee of the Board.

## Risk Management and Due Diligence

As described in its 2023 Human Rights Statement and the Raw Materials Sourcing Policy, Richemont is dedicated to respecting human rights and the Group follows policies and standards to achieve this goal.

In addition, as explained in the introductory section of this chapter, the RJC's CoP certification provides a common framework for suppliers in strengthening their management approach with regards to ethical, social and environmental standards. In FY24, 97% of Tier 1 diamond suppliers are RJC-CoP certified based on purchased volumes.

Richemont's risk management and due diligence practices are designed to identify potential adverse impacts, building on the methodology set within the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. To assess the potential risk of child labour at country level in relation to its supply chain, Richemont also uses the UNICEF Children's Rights in the Workplace Index.

As part of the due diligence process, red flags serve as a preliminary indicator of potential risks associated with the origin of the raw material, its transit route, and/or the supplier's practices and location. Richemont uses various sources of information, such as traceability audits, ESG risk assessments, regular communication with suppliers, and on-site assessments to identify red flags.

The Group also engages with NGOs and monitors whistleblower reports and the general media to help identify any potential areas that require enhanced due diligence. If a potential or actual risk is identified, Richemont puts in place a risk response plan and takes the appropriate measures to mitigate any adverse impact.

To support suppliers and promote enhanced ESG performance, the Group's field experts conduct regular follow-up visits, helping to develop a deeper understanding of supplier challenges to comply with the Group's commitments.

# Coloured Gemstones

Coloured gemstones are integral to the identity of its Jewellery Maisons. They use a range of over 30 coloured gemstone types from more than 20 countries to create iconic pieces.

While the Maisons are responsible for sourcing these gemstones, the Group oversees the sourcing governance. This section outlines how Richemont conducts due diligence and manages risks throughout the coloured gemstones supply chain.

## The Value Chain

The supply chain for coloured gemstones is multi-layered. It involves various routes to market, specific to each type of stone, and dependent on the country of extraction and the country of cutting and polishing. Furthermore, this process can take many years – from the time a single stone is mined to the moment it is set. In this context, the group acknowledges that there is no single solution for traceability of the coloured gemstones supply chain.

At an industry level, the coloured gemstone supply chain can be divided into three stages. Firstly, the coloured gemstones are excavated from mines. Then, skilled artisans cut and polish the rough stones, turning them into faceted gems. The polished gemstones are then sold to wholesalers and dealers in trading hubs, who subsequently sell them to jewellery brands.

Richemont does not purchase gemstones directly from mines. To ensure compliance with the Group's standards and promote responsible sourcing, the Group and its Maisons, as part of the due diligence effort, engage with different stakeholders across the supply chain to identify and promote best practices.

Richemont and its Maisons work on the continuous improvement of the coloured gemstones' transparency and traceability, while taking steps to enhance supply chain practices as further described in the following subsections.

## Management Approach

### Policies and Standards

Richemont's SCoC and the Raw Materials Sourcing Policy are essential for maintaining the Group's commitment to promoting transparent supply chains and reinforcing its principles.

In addition to respecting the principles set out in the above-mentioned Code and Policy, Richemont's coloured gemstones suppliers are strongly encouraged to achieve the RJC's CoP certification, which currently covers rubies, sapphires, and emeralds. Richemont also considers equivalent standards where the principles follow the same due diligence route. More information on how Richemont engages with the coloured gemstones supply chain to promote responsible sourcing can be found in the following Risk management and due diligence subsection in this section.

### Governance

The Maisons are responsible for purchasing coloured gemstones, similar to the diamond supply chain. The Group oversees sourcing governance through the Stone Supply Chain Committee. As further described in the section dedicated to diamond supply chain, this Committee, through the Group Director of Operations, provides regular updates to the SEC and the Governance and Sustainability Committee of the Board.

## Risk Management and Due Diligence

Richemont has established risk management and due diligence processes to promote responsible sourcing of coloured gemstones.

These processes involve industry expertise, on-site assessments, and desk reviews to identify and mitigate risks. Kumi's CAHRA Map and the UNICEF Children's Rights in the Workplace Index are used to identify high-risk areas, and the due diligence is overall aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. The Product Social Impact Assessment (PSIA) methodology is used in selected cases to further inform the due diligence process, through independent third-party on-site visits encompassing, amongst others, engagement with different stakeholders.

The Group also uses 'Know Your Counterparty' (KYC) supplier questionnaires to verify counterparties and maintain an understanding of their business.

As highlighted in the introduction, Richemont encourages the collective effort to enhance transparency and due diligence practices, as the coloured gemstone supply chains can be shared by other jewellery companies within the industry. An example being the active participation in the Coloured Gemstones Working Group – an alliance between leading luxury jewellery brands and mining companies supporting the collaborative development of due diligence tools and trainings on responsible sourcing for all tiers of the coloured gemstone supply chain.

# Watch Components

Watchmaking is a fundamental part of Richemont's history, and a core pillar of its business.

The Group has a legacy of watchmaking craftsmanship and continues to develop expertise and excellence in the Maison manufacturers and its own manufacturing competence centres. Richemont is proud to have the Swiss Maison Manufacturers' products Swiss Made, which provides a guarantee of quality, precision and craftsmanship. This section describes Richemont's responsible approach to watch components supply chain management.

## The Value Chain

The Swiss watchmaking industry is an internationally recognised consolidated market, with a heritage and know-how that goes back centuries. For its watchmaking, Richemont mainly relies on its own Maisons' manufacturing sites and internal manufacturing competence centres, which play an important role in the Maisons' sourcing strategies, in addition to a network of high-quality and specialised suppliers. As a central player in Swiss watchmaking, Richemont works with a panel of external suppliers – privileged partners – to leverage the Swiss watchmaking expertise, as well as to engage on key topics affecting the industry.

The Group's privileged panel of suppliers is mainly composed of small to medium-sized enterprises, with whom the Maisons have established long-term relationships through close collaboration and partnerships.

The majority of the Group's watches are considered as Swiss Made, with the exception of A. Lange & Söhne, which is made in Germany, and electronic watches of Montblanc. The Federal Act on the Protection of Trade Marks and Indications of Source (Trade Mark Protection Act, TmPA) and its Ordinance 232.119 on the use of 'Switzerland' or 'Swiss' for Watches, and the Guide to the use of the designation 'Swiss' for watches edited by the Federation of the Swiss Watch Industry (FHS), set the criteria for being considered Swiss Made.

## Management Approach

### Policies and Standards

Similar to other raw materials' supply chains, Richemont's SCoC and the Raw Materials Sourcing Policy are applicable to the watch components supply chain as the guiding policies that set the requirements for suppliers and commitment to responsible sourcing. They are designed to address industry-specific risks and upholds the Group's principles of maintaining a transparent and compliant supply chain.

### Governance

The management of Specialist Watchmakers and Jewellery Maisons is responsible for applying the policies and standards. The watch components supply chain is overseen by the Group's Sourcing Intelligence and Responsible Sourcing teams. Specifically, the Sourcing Intelligence team gathers data from the Maisons to oversee the Group's sourcing and supplier market. They analyse business risks associated with supply security and provide strategic information to the Group's management. Maisons and the Responsible Sourcing team closely monitor and support suppliers' compliance with the SCoC, including certification status.

## Risk Management and Due Diligence

Richemont utilises a risk management and due diligence process that is guided by the established policies and standards described above. These processes are based on industry expertise, on-site assessments, and desk reviews.

Richemont considers the inherent supply chain risks associated with the production and manufacturing of watch components to be low, as this primarily takes place in Switzerland where domestic laws enforce strict regulations.

To ensure compliance with the SCoC, watch component suppliers are requested to possess RJC's CoP certification or a combination of certifications (ISO 14001, ISO 45001, SA 8000). Alternatively, they must be audited in accordance with the SMETA Standards.

The farms from which the skins for watch straps originate are requested to be International Crocodilian Farmers Association (ICFA) certified, and the tanneries to be Leather Working Group (LWG) certified. Richemont's due diligence process follows a risk-based approach that takes into account suppliers' certification, their production site location and/or country risk, and their spend. As explained in the Leather section, the leather bracelets supply chain risks are predominantly linked with farming conditions and tanning operations.

# Leather

Leather is an integral part of Richemont's legacy and a component in many of its products.

The leather goods industry has a unique supply chain, and this section outlines how the Group implements its responsible principles across the suppliers it collaborates with.

## The Value Chain

The supply chain for the leather goods industry forms a diverse ecosystem that includes a network of suppliers and subcontractors. Comprehensive in-depth knowledge of this network is necessary to ensure that the Group's standards of responsible business and risk assessment processes are applied throughout, as further explained in the relevant subsection below.

Hides and skins are processed into leather by tanneries before being processed further into the products necessary for final manufacturing or assembly, plus any additional metal parts. The Group mainly sources its bovine hides in Europe.

Richemont's alligator leather mainly comes from farms in Louisiana, USA, and suppliers must comply with the International Crocodilian Farmers Association (ICFA) criteria, as further explained in the following subsections. The tanneries for alligator leather are mostly in Italy, with some located in France.

Most of Richemont's manufacturers are located in Italy, France and Spain and the Group monitors its manufacturing production closely.

## Management Approach

The Group's SCoC is key to setting the standards and commitments for the leather supply chain. Richemont complies with the Trade in Protected Species Directive.

In addition, Richemont is a member of the LWG, having joined in April 2021. This not-for-profit organisation is responsible for the world's leading environmental certification for the leather tanning industry. Under this certification, tanneries are expected to demonstrate good practice in all business areas, including water usage.

In 2021, Richemont also became a member of the ICFA, which sets crocodilian farming practices with respect to animal welfare. By supporting the association, Richemont contributes to the conservation of biodiverse wetlands in Louisiana. As an ICFA member, Richemont contributes to the supply chain participating in the definition of standards.

To complement these memberships and certification standards, Richemont supports several initiatives that encourage collaboration within the luxury industry to improve the accuracy of environmental impact assessments, such as the International Reference Centre for Life Cycle Assessment and Sustainable Transition (CIRAIG) and the World Apparel and Footwear Life Cycle Assessment Database (WALDB).

In this space, Richemont has already undertaken a Life Cycle Assessment of tanning to identify options with the lowest environmental impact. Working with these industry bodies to improving the traceability of leather across the sector enables the identification of suppliers with the most responsible farming and animal welfare practices, an important standard for Richemont's leather supply chain.

### Governance

Richemont has a specific Sourcing Committee dedicated to the governance of the leather manufacturing supply chain monitoring and due diligence. It convenes monthly and covers topics such as the selection and validation of new suppliers, the review of suppliers' performance and results of audits and controls.

# Risk Management and Due Diligence

Richemont's risk management and due diligence processes are tailored to each supply chain. Due diligence processes in the leather supply chain include building knowledge about suppliers starting from a detailed selection and onboarding process.

At the beginning of a business relationship, the Group applies measures to identify and assess the ESG risks of new suppliers. This starts with a supplier onboarding process, including screening of social, environmental and financial measures. A first risk screening is conducted to assess the supplier level of compliance with the Group SCoC and quality specifications.

The Group has signed a manufacturing agreement with suppliers who assemble and manufacture the final products, to ensure adherence to the SCoC and compliance with applicable regulations, including those relating to employment, social security, environment, safety and tax. These agreements require the suppliers to declare all their subcontractors, who have to be approved by Richemont. To assess compliance with the principles stated in the manufacturing agreement, scheduled and/or unscheduled audits are conducted at both suppliers and subcontractors.

A supplier audit plan to evaluate compliance with the SCoC is in place and reviewed yearly. The plan takes into account previous audits' results, as well as follow-ups and desktop reviews. These audits are conducted based on the SMETA methodology, described in the Introduction of this chapter. More details about leather supplier audits are available in the dedicated performance table. The current focus is on Tier 1 suppliers that produce finished goods, and their subcontractors, and the goal is to audit 100%.

Tanneries are audited every two years under their LWG certification. The LWG evaluates the environmental performance of tannery operations and rates it with gold, silver or bronze rankings, accordingly. In 2023, 88% of our bovine skins came from LWG-certified tanneries. Over the coming years we aim to increase this ratio. Our target for alligator leather with LWG certification is included in our global LWG target. For alligator and crocodile leather, the aim is to source 100% of skins from ICFA-certified farms, having reached 88% in FY23. For the other Tier 3 suppliers, which includes metal parts suppliers, the Group audits the substantial ones.

**Supplier audits on leather**

| | 31st March 2022 | 31st March 2023 | 31st March 2024 |
|---|---|---|---|
| **% of purchased value from Tier 1 suppliers covered by audits** | 88% | 89% | **96%** |
| **% of Tier 2 suppliers covered by audits** | 70% | 86% | **90%** |

# Sustainability Governance

# Promoting Transparency and Integrity

## Conflict of Interest

Conflicts of interest have the potential to undermine the making of fair and ethical decisions and could compromise the Group's integrity. In line with principles set in the Standards of Business Conduct, any situation that gives rise, or might give rise, to a conflict of interest must be declared as soon as it occurs, in line with Richemont's core values, which include honesty, truthfulness and authenticity.

Every member of the Board, its standing committees and the SEC must manage their personal and business affairs to minimise potential conflicts of interest with the Group. Where conflicts of interest may arise, the member must make a full declaration of the potential conflict to their respective governing body or its Chair who must ensure the issue is addressed at the next meeting. All transactions between Group entities and members of the Board or the SEC must be conducted at arm's length and approved by the Board without that member's involvement.

The Chair of the Board is a member of the SEC and contributes, alongside the other members, which include the CEO and the CFO, to conducting the day-to-day strategic and operational administration of the Group. As aforementioned every member of SEC must manage their personal and business affairs to minimise potential conflicts of interest with the Group.

The Organisational Regulations of the Board of Directors states that 'in the event that the Chairman is also a member of the SEC, the Board shall appoint from amongst its non-executive members a Lead Independent Director. "Non-executive members" refers, in this context, to members of the Board who do not perform any line management function within the Group. The Lead Independent Director is entitled to carry out an annual assessment of the work of the Board and of the Chairman and, if such assessment has been carried out, present its findings to the Board. The Lead Independent Director is also entitled to convene and chair meetings of the Board as he sees fit'.

Richemont's Standards of Business Conduct set out what constitutes a conflict of interest and how it should be handled.

## Anti-bribery and Corruption

At Richemont, there is zero tolerance for bribery and corruption. Richemont takes responsibility to comply with the laws, regulations and standards that help avoid bribery and corruption anywhere it does business. To continuously raise awareness on the risks bribery and corruption may pose to Richemont and individuals, a dedicated online training programme is available on the subject. This training is available to all employees globally on the Group intranet and to date has been completed by 33 234 employees.

In FY24, no incidents of corruption were confirmed, either with employees or with business partners.

Richemont has its own policies to ensure full compliance with the law along with specific policies and procedures including:

- Gifting and Hospitality Policy: This policy outlines the Group's standards for giving and receiving gifts, hospitality, or other benefits. It applies to all employees, directors, temporary staff, contractors, agents and consultants.
- Sales Incentive Policy: This policy sets the Group's standards for providing sales incentives to the authorised dealer network for meeting agreed-upon objectives relating to sales performance, brand visibility, brand activation, or other third-party activities, or in anticipation of legitimate actions or operations that solely benefit a Maison or Group affiliate in connection with its business or sales.

Both policies are available to all employees on the Richemont intranet.

## Tax

The overall goal remains to deliver and implement a tax strategy that is proactively and fully compliant, competitive, sustainable, transparent and aligned with Group corporate objectives and the Standards of Business Conduct. This strategy is embedded in daily operations and takes account of any evolution in the global tax environment and its complex economic, financial and political dynamics.

The Board of Directors holds ultimate responsibility for the Group's tax strategy, the organisation of tax functions within the Group and the supervision of Richemont management in relation to tax matters. Through the Group Tax function, management is responsible for proposing and implementing the tax strategy within the framework defined by the Board of Directors. The Group Tax function reports to the Group CFO.

Richemont maintains open and constructive contact and communication with tax authorities and other stakeholders in the jurisdictions where it operates, to understand governments' tax policy objectives and tax authorities' processes. This ensures compliance with both the letter and the spirit of relevant domestic and international tax laws.

For more details on the Group's tax strategy and tax risk management, please refer to the tax strategy and tax risk management document published on the Group website.

# Maintaining the Trust of Clients and Stakeholders

## Intellectual Property

Richemont values creativity, innovation and craftsmanship, which are essential to customers. The Group is dedicated to protecting intellectual property (IP) and combating counterfeiting of goods.

This safeguards the core values of the Maisons and ensures that their customers are not deceived by fraudulent products. Counterfeit goods not only damage the livelihoods of those involved in creating and producing genuine items, but also deceive customers and undermine their trust.

A proactive and reactive intellectual property strategy includes programmes targeting counterfeit goods both online and offline. This is managed by the dedicated anti-counterfeiting team within Group IP. Richemont collaborates with customs, police and administrative authorities worldwide to organise raids and seizures and to support criminal actions against infringers. The Group's commitment further extends to a programme of civil enforcement through strategic litigations, which emphasises the issue and serves as a deterrent.

Where there is a proposed commercial relationship with an online platform partner, anti-counterfeiting commitments are negotiated with those partners as part of the overall contractual agreements.

The monitoring of key marketplaces and social media activities are entrusted to two best-in-class external vendors, ensuring a high level of service. Focus is on areas of concern for the Maisons, particularly those that may cause customer confusion or have high visibility. A well-funded and well-resourced programme allows quick response to new platforms or increased issues on existing platforms by reallocating resources as needed. Online monitoring and enforcement has a dedicated centralised Richemont budget. Local customs and enforcement authorities execute follow-up activities and raids. Offline anti-counterfeiting efforts are funded by dedicated portions of each Maison's IP budget.

## Supporting Standards and Sector Initiatives Against Illicit Trade

Richemont is a founding member of the Transnational Alliance to Combat Illicit Trade (TRACIT). It lobbies for legislation globally to tackle the sale of counterfeit goods and builds relationships with governments, agencies and commercial entities to fight illicit trade. Richemont is also a member of Unifab, the French anti-counterfeiting association that conducts legislative lobbying, provides training for law enforcement and fosters relationship building. Furthermore, Richemont is a member of the Swiss Watch Federation and often collaborates in their joint actions on behalf of multiple members.

## Data Protection and Cybersecurity

Richemont's comprehensive data protection strategy aims to achieve compliance with global data protection and privacy laws, provide a secure digital environment for employees and customers and protect Group assets and operations against cyber-attacks and data breaches. The strategy is overseen by the Strategic Security Committee, which aims to protect assets, including confidential business information, intellectual property and operations against intrusive actions. It also safeguards people and physical assets.

## Global Data Privacy and Compliance Programmes

The Group's Data Privacy Strategy is based on the following three commitments: Transparency & Trust; Protecting Personal information; Respecting Rights.

The Global Data Privacy Policy establishes six data privacy principles. These guide the Group's processing of personal data for individuals worldwide, including clients, digital users, employees, staff, contractors, employment candidates and supplier representatives. The principles cover lawfulness, fairness and transparency, specific purposes, relevance, accuracy, retention and security. They enable the Group to comply with global data protection and privacy laws while safeguarding assets and operations from cyber-attacks, cyber-crime, data breaches and other threats.

The Group Data Privacy Strategy includes global client and employee data guidelines, template privacy notices, learning and development, a privacy representative network, client data and employee data SharePoint, security assessment process, contractual frameworks and operational privacy compliance materials.

The Group has a global privacy standard that is based on the General Data Protection Regulation (GDPR) and complies with local requirements. These include, amongst others, the Swiss New Federal Act on Data Protection (nFADP), China's Personal Information Protection Law (PIPL), Korea's Personal Information Protection Act (PIPA), Brazil's General Data Protection Law (LGPD), California's Privacy Rights Act (CPRA)/(CCPA), Canada's Federal Law Personal Information Protection and Electronic Documents (PIPEDA), Mexico's Federal Law on the Protection of Personal Data held by Private Parties (LFPDPPP) and Japan's Act on the Protection of Personal Information (APPI). To support the Group Data Privacy Policy, Client Data Guidelines and Employee Data Guidelines have been developed for professionals who process client-related or employee-related data. These guidelines are available on the Group's Data Privacy Page on the Richemont Intranet.

The Group ensures that individuals receive concise and clear information about how and why their personal data is processed, typically through privacy policies or notices. Template privacy notices have been created for online privacy policies and boutique guidance exists for client data and HR teams on offering fair and transparent notices to data subjects.

All Group employees must undertake a mandatory global eLearning programme on data protection and privacy. In addition, there are two specialist modules aimed at employees who regularly process employee or client data in their roles. The Group Security function continuously develops and implements new modules as part of an ongoing learning and development programme, covering topics such as information protection, cyber-awareness, phishing and social engineering.

A network of privacy representatives has been established across the Maisons, regions and functions. Entities have an HR Privacy Representative in each country where they have employees and a Client Data Privacy Representative is assigned for each Maison. The representatives serve as data privacy ambassadors, promote data privacy awareness and compliance in their teams and ensure compliance with the Group's Global Data Privacy Policy. Privacy Representatives regularly consult with the Group Legal function for guidance and support on privacy matters.

A Client Data and HR data SharePoint has been established to support Privacy Representatives, human resources and client data teams. It has guidance and resources on data privacy matters and includes multiple Frequently Asked Questions (FAQ) documents.

The Group has robust contractual terms when it shares data with third parties, in accordance with its policy. These terms require business partners to comply with the Group Security Standards and international data transfer requirements.

The Group Legal function maintains an operational privacy compliance team. This team is responsible for key operational deliverables, including Records of Processing Activity such as data mapping, Data Protection Impact Assessments, Legitimate Interest Assessments, Transfer Impact Assessments and Data Subject Requests.

The majority of concerns that are raised are from clients who no longer wish to receive marketing communications. On average, the Group receives multiple requests per month from clients seeking to have their accounts deleted as an exercise of their right to be forgotten. Typically, these requests are fulfilled within one month of receipt. The Group receives approximately two requests per month from clients requesting access to the data held about them. These requests are usually fulfilled within one month of receipt, or sooner, depending on regulatory requirements.

Material client complaints concerning a Maison's use of personal data are extremely rare and resolved on a case-by-case basis. Incidents of personal data breaches are infrequent. The Group has efficient processes that follow regulations on notifying regulators or those affected by an actual or suspected data breach, leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to personal data.

The Group's data systems security approach spans the full scope of an information security management system. Overseen and operated by specialist teams, it covers risk and compliance, training and awareness, incident management and security testing and is upheld by international certifications and standards. Business partners are also subject to robust security assessments and, where necessary, compliance audits. All suppliers know about these standards and what they mean for them (e.g. taking part in audits if contractually obliged). Regular privacy risk assessments on technology and practices affecting user data are conducted.

## Complaints Regarding Breaches of Client Privacy or Losses of Client Data

Breaches and/or non-compliance with applicable data protection, privacy and cybersecurity laws and regulations could result in significant legal and regulatory risk exposure for the Group. This could expose the Group and/or its Maisons to actual negative and immediate impacts, including potential fines, as well as business suspension or reputational damage. Data breaches and other cybersecurity incidents represent a potential long-term threat to the Group's business model and could ultimately lead to the disruption of critical infrastructure giving rise to environmental consequences. These threats also potentially violate individuals' human rights to privacy.

To address any potential or actual negative impacts, the Group has a comprehensive data protection, privacy and cybersecurity strategy that adopts a 'privacy by design' approach. The Group's data protection, privacy and cybersecurity strategy can generate an actual positive impact on the economy by promoting trust and confidence in the Group's products and/or services through a 'privacy by design' approach that promotes transparency and trust, protects the information of stakeholders, and respects their rights.

The safeguarding of stakeholders' privacy rights also respects their human rights. The Group therefore balances all the rights and risks to ensure it is able to successfully implement a robust data protection, privacy and cybersecurity strategy to promote sustainable economic growth, environmental preservation and safeguard fundamental human rights.

Outside of the above process, the Group has transparent and user-friendly mechanisms for individuals to address concerns about data privacy and these are dealt with as part of business-as-usual client relations processes that the Group has in place. Each Maison privacy policy includes contact information for clients to ask questions or share comments about their privacy (see both 'Your Choices' and 'Contact Us' section of a template Cartier privacy policy found at: https://www.cartier.com/en-in/resources/privacy-policy-template/privacy-policy.html). Moreover, every marketing communication sent to clients provides an option to opt out of receiving further marketing messages. Individuals can also access, modify, or delete their data through various touchpoints.

# Information Management System and Compliance

The Group data systems security approach spans the full scope of an information security management system. Overseen and operated by specialist teams, it covers risk and compliance, training and awareness, incident management and security testing and is upheld by international certifications and standards. Business partners are subject to robust security assessments and, where necessary, compliance audits. Suppliers also know about these standards and what they mean for them (e.g. taking part in audits if contractually obliged).

Regular privacy risk assessments are carried out on technology and practices affecting user data, and Richemont ensure that the Board members responsible for the cybersecurity strategy have the appropriate skills and experience to carry out their roles effectively.

# Product, Advertising and Labelling

Richemont emphasises its commitment to adhering to consumer protection regulations with a focus on ensuring truthfulness and accuracy in its marketing, advertising and labelling practices. At the heart of this commitment is a robust internal management framework, spearheaded by the Product and Trade Compliance (P&TC) team. Key actions include the implementation of regulatory tracking to stay abreast of legal changes, the deployment of a centrally managed Intranet platform for internal communications, and the provision of a comprehensive online library for easy access to regulatory materials.

Richemont also issues internal directives and engages in monitoring via a central control plan to ensure adherence to policies. Richemont further supports due diligence processes and maintains a Chemical Competence Center (CCC) to manage materials compliance. Additionally, Richemont facilitates access to specialised expertise to navigate the landscape of regulations effectively, underscoring its proactive approach to compliance and ethical conduct in its business operations. Key areas of focus include consumer protection, product compliance and marketing claims.

Accurate product descriptions are provided to protect consumers and help them make informed decisions. This includes information on legal based regulations related, among others, to the safety, sourcing, origin, content and disposal of products. For example, a user guide which can include relevant details on the safe use of products, such as the care label on garment, or user instructions for electronic products is provided. In addition and in accordance with applicable regulations, for every product sold, the country of origin is disclosed. Richemont is conscious of the risks related to misleading environmental claims made on products. Richemont aims to communicate truthfully about its products, prioritising compliance, specificity and scientific evidence within communicated claims, as outlined in an internal directive on Environmental Product Claims adopted in 2021 and updated in FY23. This directive serves to ensure compliance and prevent unsupported environmental claims. As part of the implementation of this directive, all Maisons carry out due diligence and report any cases of non-compliance. Any content which would be considered deceptive, unfair and discriminatory, based on prevailing standards of transparency is excluded. If any incidents of non-compliance arise, they are recorded and tracked, ensuring an improvement of internal management systems and implementation of internal controls.

Richemont takes great care to ensure that its marketing and environmental claims are made following detailed due diligence and can be verified and supported by scientific evidence, where appropriate. Richemont is closely monitoring the Directive Empowering Consumers for the Green Transition through Better Protection against Unfair Practices and Better Information, and the Green Claims Directive Proposal 2023/008, providing training and guidance for its local compliance teams.

# Chemical Competence Center (CCC)

The responsible management of chemicals is a critical element of sustainable practices and is essential to guaranteeing human health and environmental safety. Richemont is subject to chemical regulations, mandatory standards and requirements associated with the use of chemicals worldwide. A higher degree of stakeholder awareness around chemical management is observed. In 2017, the CCC which led to the creation of a Product Restrictive Substance List (PRSL), a living document restricting the use of chemicals in products at a safe level was established. The PRSL is supported by testing tools that allow Maisons and their suppliers to check product compliance. Furthermore, in FY23, an internal Chemical Management Committee was launched with the aim to continuously improve the management of chemicals within the Group, boost innovation and follow up on best practices around responsible management of chemicals and has continued to act along its mission in FY24. Additional details on the CCC are described in the Ensuring the Health and Safety of our People section of the Acting on our Social Impact chapter.

# Business and Human Rights

At Richemont, upholding and advancing respect for the fundamental human rights of all people is core to the Group business strategy, mission and values.

Policies and practices are aligned with the United Nations Guiding Principles on Business and Human Rights and the Principles of the United Nations Global Compact (UNGC), to which Richemont has been a participant since 2013.

Richemont is committed to upholding human rights in its value chain and holds its suppliers and other business partners to this same standard.

In addition to ongoing human rights due diligence and assurance practices embedded in the operations of Maisons, regions and functions, the Group periodically engages third-party experts to ensure and advance understanding of human rights risks and impacts. These assessments inform Richemont policies and support risk mitigation, governance practices and priorities.

In FY24, the Richemont Human Rights Statement was published, which highlights the focus areas, the impact of the Group's value chains and the policies that include a focus on human rights as described in the following section.

A dedicated human rights training module was launched this year to raise awareness on the focus areas in the statement, as further detailed in the Tools and Training that Support Adherence to our Policies section.

## Human Rights Governance

Richemont's Board of Directors is responsible for defining Richemont's human rights strategy. The Group's Chief Sustainability Officer, who is also a member of the Senior Executive Committee (SEC), is responsible for overseeing the implementation of the strategy defined by the Board and making recommendations to the SEC for adopting the necessary regulations and policies and for setting up the appropriate bodies.

The Group's commitment to upholding human rights is reinforced by a skilled and dedicated Human Rights Taskforce. This Taskforce comprises leaders from various departments such as Human Resources, Responsible Sourcing, Logistics, Security, Procurement, Legal, Finance, Corporate Affairs, and representatives of Regions, along with selected Maisons.

The Human Rights Taskforce, animated by the Group ESG Legal Counsel, is chaired by the Chief Sustainability Officer, who is responsible for ensuring the implementation of an effective human rights management system across the Group. This includes regularly reviewing and updating policies and procedures, as well as identifying and addressing any areas for improvement.

## Due Diligence Process

The implementation of a Human Rights Due Diligence Management System starts by assessing the level of potential exposure to human rights risks. A Human Rights Risk Scan was conducted with the support of independent experts.

Outcomes are presented in the following table, and outline the activities with potential higher exposure to human rights risks, including raw material sourcing, making and manufacturing, storage, as well as transport and distribution. Due diligence measures have been adapted accordingly. For instance, in FY24 a specific assessment has been performed on logistics activities to develop risk mitigation plans.

### Human Rights Risks across the Value Chain

| | Sourcing and purchasing | Corporate functions | Making & manufacturing | Storage, transport & distribution | Marketing, advertising & events | Retail & after sales | Client relationships |
|---|---|---|---|---|---|---|---|
| Occupational health and safety | High | Medium | High | High | High | High | Low |
| Environmental impact | High | Medium | High | Medium | Low | Low | Low |
| Workplace harassments and violence | High | High | High | High | High | High | Low |
| Working conditions | High | Medium | High | High | Low | High | Low |
| Freedom of association and collective bargaining | High | Medium | High | High | Low | High | Low |
| Non-discrimination and equal opportunities | High | High | High | High | High | High | Low |
| Child labour and juvenile work | High | Low | Medium | Medium | Low | Low | Low |
| Forced labour and modern slavery | High | Low | Medium | High | Low | Low | Low |
| Right to life, linked to security risks | High | Low | High | Medium | Low | Medium | Low |
| Climate and just transition | High | Medium | High | Medium | Low | Low | Low |
| Conflict-affected and high-risk areas | High | Medium | Medium | Low | Low | Low | Medium |
| Access to grievance mechanisms and remedy | High | High | High | High | High | High | Medium |
| Local communities and indigenous peoples' rights | High | Low | Medium | Low | Low | Low | Low |
| Privacy | Low | High | Medium | High | High | High | Low |
| Responsible technology and digital advertising | Medium | Medium | Medium | Medium | High | High | Low |

High relevance  Medium relevance  Low relevance

# Speaking Up and Reinforcing our Values

The Richemont Speak Up Platform was launched in June 2022, and forms an essential part of the Group's ethical framework.

The Platform allows employees and any affected third party to report any concerns by telephone or an online form, with an option for anonymity. These reports are then escalated to the Richemont Speak Up Taskforce, a team of coordinators from relevant functions within the Group responsible for assessing concerns and forwarding them to an appropriate impartial issue owner for further investigation. All procedures are documented using the Navex EthicsPoint platform, which ensures an audit trail that meets regulatory requirements.

Richemont launched a general employee awareness campaign and provided Group-wide training in order to promote the Speak Up Platform. To date, 32 505 employees completed the training on Speak Up relating to reporting concerns and how these concerns are dealt with.

The Platform is available to all global operating entities, including all Maisons. Concerns are addressed confidentially and individuals who report issues are supported. Richemont has a zero-tolerance policy for any retaliation towards anyone who makes a report in good faith or who participates in an investigation.

In FY24, 182 Speak Up cases were reported through the Platform, with the most common case including inappropriate behaviour, employment and harassment matters.

The Group is constantly learning from the reporting of concerns and adapting its business practices accordingly. To ensure impartiality, the Speak Up reporting system is overseen by the Head of Internal Audit, who is independent from management and reports to the Chair of the Audit Committee, who is updated immediately on all matters of significance that are raised.

Richemont continues to raise internal awareness of the Speak Up Platform, and it has been extended to external stakeholders and third parties, allowing a broader range of individuals, regardless of location, to voice their concerns and contribute to the Group's ongoing commitment to transparency and ethical conduct.

# Tools and Training that Support Adherence to our Policies

Richemont is deeply committed to upholding and advancing respect for the fundamental human rights of all people, as articulated in the Richemont Human Rights Statement.

In alignment with this commitment, a global training programme has been launched for all employees on 'Business and Human Rights at Richemont', under the umbrella of the Richemont Sustainability Online Academy.

This training programme is designed to increase employee awareness on human rights and guide them in managing potential impacts. The training aims to ensure that participants understand human rights concepts, learn about Richemont's approach to human rights, and recognise the importance of human rights in their roles.

This training is a key pillar of Richemont's ESG capacity building strategy, playing a critical role in building the knowledge of employees and accelerating Richemont's transformation towards sustainability.

The Group has implemented a comprehensive training programme to promulgate its Standards, raise awareness of their contents and develop employee knowledge to effectively adhere to them. The trainings are designed around the principles of the Standards of Business Conduct and emphasise the importance of ethical behaviour and compliance. During FY23, Richemont launched a series of new compliance learning modules aimed at educating employees on important ethical topics, in alignment with the four pillars of the Standard of Business Conduct. In parallel to the launch of the Richemont Speak Up Platform, which is the Group's whistleblowing and grievance reporting line, the Group rolled out global and regional awareness campaigns on the importance of Speaking up. The platform is available to internal and external stakeholders in line with the Group's commitment to integrity, transparency and ethical business practice. The Richemont Speak Up Platform is also referenced in Richemont's Standards of Business conduct and Supplier Code of Conduct.

The Compliance Learning Series 2022/2023 have focused on essential compliance topics, including anti-bribery and corruption, anti-money laundering, conflicts of interest and insider trading. These compulsory modules are designed to specifically address the promotion of transparency and integrity across the Group's decision-making processes, as well as to maintain the trust of internal and external stakeholders. The annual learning programme also includes training on the Speak Up Platform. This training has empowered the global community to report compliance concerns. It also underlines the Group's commitment to non-retaliation and to ethical business conduct.

Additionally, the eLearning modules on 'Modern Slavery & Human Trafficking' were introduced in August 2022 and to date completed by more than 14 664 employees. These modules reinforced Richemont's commitment to preparing for a sustainable future by promoting responsible supply chain practices.

# Appendix

# PwC Assurance Report

## Compagnie Financière Richemont SA

Bellevue, Switzerland

Independent limited assurance report on selected non-financial disclosures and indicators included in the Non-Financial Report 2024

to the Board of Directors of Compagnie Financière Richemont SA, Bellevue

# Independent Limited Assurance Report

## on selected non-financial disclosures and indicators included in the Non-Financial Report 2024 to the Board of Directors of Compagnie Financière Richemont SA, Bellevue

We have been engaged to perform assurance procedures to provide limited assurance on selected non-financial disclosures and indicators (including GHG emissions) of Compagnie Financière Richemont SA and its consolidated subsidiaries ('CFR') included in the Non-Financial Report 2024 ('Report') for the 12-month period ended 31 December 2023 for Environment data and 31 March 2024 for Social and Governance information based on CFR's financial year (1 April 2023 – 31 March 2024). Our limited assurance engagement focused on selected 2024 non-financial disclosures and indicators as presented in the GRI Content Index in the document 'Basis of Preparation Non-Financial Report 2024' of CFR ('CFR Basis of Preparation 2024') at https://www.richemont.com/sustainability/reports-policies/ in section 7 on pages 13 to 34 and marked with the check mark (disclosures), and as presented in the document 'Non-Financial Report 2024' in the annex 1 of this report (indicators).

The reporting criteria used by CFR are described in the CFR Basis of Preparation 2024, defining on pages 3 to 4 those principles and methodologies, by which the related non-financial indicators are internally gathered, collated and aggregated. The CFR Basis of Preparation 2024 is, among others, based on the GRI Sustainability Reporting Standards (GRI Standards 2021) published by the Global Reporting Initiative (GRI) and the GHG Protocol Corporate Accounting and Reporting Standard, Corporate Standard, Revised edition. Our evaluation of the selected 2024 non-financial disclosures and indicators (including GHG emissions) is assessed against the applicable GRI-Criteria and the GHG Protocol Corporate Standard (hereafter referred to as the 'related Suitable Criteria').

### Inherent limitations

The accuracy and completeness of the non-financial disclosures and indicators (including GHG emissions) are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the non-financial indicators (including GHG emissions) is subject to inherent uncertainty because of incomplete scientific knowledge used to determine factors related to the emissions factors and the values needed to combine e.g. emissions of different gases. Our assurance report should therefore be read in connection with CFR Basis of Preparation 2024, its definitions and procedures on non-financial reporting therein.

### Board of Directors' responsibility

The Board of Directors of Compagnie Financière Richemont SA is responsible for the Report as well as for selection, preparation and presentation of the 2024 non-financial disclosures and indicators (including GHG emissions) in the Report in accordance with the CFR Basis of Preparation 2024. This responsibility includes the preparation of the document 'CFR Basis of Preparation 2024' and the design, implementation, and maintenance of related internal control relevant to this reporting process that is free from material misstatement, whether due to fraud or error and the appropriate record keeping.

### Independence and quality management

We are independent of the Compagnie Financière Richemont SA in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers SA applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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PricewaterhouseCoopers SA is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.

### Practitioner's responsibility

Our responsibility is to express a limited assurance conclusion on selected non-financial disclosures and indicators (including GHG emissions) as presented in the GRI Content Index in the CFR Basis of Preparation 2024 on pages 13 to 34 and marked with the check mark (disclosures), and as presented in the annex 1 of this report 'Non-Financial Report 2024' (indicators). We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information' and the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about on whether anything has come to our attention that causes us to believe that the selected non-financial disclosures and indicators (including GHG emissions) presented in the GRI Content Index in the CFR Basis of Preparation 2024 (disclosures) and in the annex of this report 'Non-Financial Report 2024' (indicators) for the 12-month period ended 31 December 2023 for Environment data and 31 March 2024 for Social and Governance based on CFR's financial year (1 April 2023 – 31 March 2024) were not prepared, in all material aspects, in accordance with the Suitable Criteria.

A limited assurance engagement undertaken in accordance with ISAE 3000 (revised) and ISAE 3410 (including GHG emissions) involves assessing the suitability in the circumstances of CFR's use of applicable criteria as the basis for the preparation of selected 2024 non-financial disclosures and indicators (including GHG emissions), assessing the risks of material misstatement of these non-financial disclosures and indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of these non-financial disclosures and indicators. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures selected depend on the assurance practitioner's judgement.

### Summary of the work performed

Our limited assurance procedures included:

- Reviewing the CFR's policies, manuals and the CFR Basis of Preparation 2024 document;
- Interviewing CFR's representatives at Group and entity level from the Executive Management, Sustainability (environment and social), Legal, Human Resources, Responsible Sourcing, Procurement and Health, Safety and Environment;
- Performing physical and virtual site visits at Maisons and legal entities in France, Switzerland, Italy, UK, USA and China for environmental data and health and safety data collection and reporting process;
- Performing analytical procedures on the 2024 non-financial indicators that consisted of trend analysis and checking that data collected had been properly consolidated;
- Reconciling and inspecting the relevant supporting documentation on a sample basis;
- Performing tests on a sample basis of the selected 2024 non-financial disclosures and indicators covering completeness, accuracy, adequacy and consistency;
- Reviewing the existence of the required disclosures for selected GRI standards and obtaining evidence supporting the statements disclosed where relevant.

We have not carried out any work other than outlined in the paragraph above. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusions.

### Conclusion

Based on the procedures we performed, nothing has come to our attention that causes us to believe that the selected 2024 non-financial disclosures as presented in the GRI Content Index in the document 'Basis of Preparation Non-Financial Report 2024' of Compagnie Financière Richemont SA and its consolidated subsidiaries for the 12-month period ended 31 December 2023 for Environment data and 31 March 2024 for Social and Governance based on CFR's financial year (1 April 2023 – 31 March 2024), respectively as presented in section 7 on pages 13 to 34 and marked with the check mark (disclosures), and indicators (including GHG emissions) as presented in the annex 1 of this report, are not prepared and disclosed in the Report in all material respects in accordance with the related Suitable Criteria.

**Restriction of use and purpose of the report**

This report is prepared for, and only for, the Board of Directors of Compagnie Financière Richemont SA, and solely for the purpose of reporting to them on the selected 2024 non-financial disclosures as presented in the 2024 GRI Content Index in the document 'Basis of Preparation Non-Financial Report 2024', as presented on pages 13 to 34 and marked with the check mark and indicators (including GHG emissions) as presented in the annex 1 of this report, and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.

We permit the disclosure of our report, in full only and in combination with the Compagnie Financière Richemont SA's Non-Financial Report and CFR Basis of Preparation 2024, to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the selected 2024 non-financial disclosures as presented in the 2024 GRI Content Index in the CFR Basis of Preparation 2024 on pages 13 to 34, marked with the check mark , and indicators (including GHG emissions) as presented in the annex 1 of this report, without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we will not accept or assume responsibility to anyone other than the Board of Directors of Compagnie Financière Richemont SA for our work or this report.

PricewaterhouseCoopers SA

Guillaume Nayet Pierrick Misse

Geneva, 31 May 2024

Enclosures:

- Annex 1 – Selected 2024 non-financial indicators included in the Non-Financial Report 2024 to the Board of Directors of Compagnie Financière Richemont SA

*The maintenance and integrity of Compagnie Financière Richemont SA's website and its content are the responsibility of the Board of Directors; the work carried out by the assurance provider does not involve consideration of the maintenance and integrity of the Compagnie Financière Richemont SA's website and, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported non-financial disclosures, indicators or criteria since they were initially presented on the website.*

**Annex 1 – Selected 2024 non-financial indicators included in the Non-Financial Report 2024 to the Board of Directors of Compagnie Financière Richemont SA**

| GRI standard reference | | Quantitative indicators assured | Report page |
|---|---|---|---|
| **2-7** | Employees | Total number of employees, and a breakdown of this total by gender and by region | p. 56 |
| | | Total number of:<br>• permanent employees, and a breakdown by gender and by region;<br>• temporary employees, and a breakdown by gender and by region;<br>• full-time employees, and a breakdown by gender and by region;<br>• part-time employees, and a breakdown by gender and by region. | p. 56 |
| **2-16** | Communicating critical concerns | Total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period. | p. 78 |
| **2-27** | Compliance with laws and regulations | Total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by:<br>• instances for which fines were incurred;<br>• instances for which non-monetary sanctions were incurred. | p. 14 |
| **205-2** | Communication and training about anti-corruption policies and procedures | Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region. | p. 72 |
| **205-3** | Confirmed incidents of corruption and actions taken | Total number and nature of confirmed incidents of corruption. | p. 72 |
| | | Total number of confirmed incidents in which employees were dismissed or disciplined for corruption. | p. 72 |
| | | Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption. | p. 72 |
| **206-1** | Anti-competitive Behavior | Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant. | p. 14 |
| **302-1** | Energy consumption within the organisation | Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used. | p. 41 |
| | | Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used. | p. 41 |
| | | In joules, watt-hours or multiples, the total:<br>• electricity consumption;<br>• heating consumption;<br>• cooling consumption;<br>• steam consumption. | p. 41 |
| | | In joules, watt-hours or multiples, the total:<br>• electricity sold; | p. 41 |
| | | Total energy consumption within the organization, in joules or multiples. | p. 35 |

| GRI standard reference | | Quantitative indicators assured | Report page |
|---|---|---|---|
| **302-3** | Energy intensity | Energy intensity ratio for the organization. | p. 35 |
| | | Organization-specific metric (the denominator) chosen to calculate the ratio. | p. 41 |
| **303-3** | Water withdrawal | Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:<br>• municipal water;<br>• groundwater;<br>• surface water;<br>• seawater. | p. 26<br>p. 40 |
| **305-1** | Direct (Scope 1) GHG emissions | Gross direct (Scope 1) GHG emissions in metric tons of $CO_2$ equivalent. | p. 40 |
| | | Biogenic $CO_2$ emissions in metric tons of $CO_2$ equivalent. | p. 40 |
| **305-2** | Energy indirect (Scope 2) GHG emissions | Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of $CO_2$ equivalent. | p. 26 |
| | | Gross market-based energy indirect (Scope 2) GHG emissions in metric tons of $CO_2$ equivalent. | p. 26<br>p. 40 |
| **305-3** | Other indirect (Scope 3) GHG emissions | Gross other indirect (Scope 3) GHG emissions in metric tons of $CO_2$ equivalent. | p. 40 |
| **305-4** | GHG emissions intensity | GHG emissions intensity ratio for the organization. | p. 32 |
| | | Organization-specific metric (the denominator) chosen to calculate the ratio. | p. 38 |
| **305-7** | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | Significant air emissions, in kilograms or multiples, for each of the following:<br>• Nitrogen Oxides (NOx)<br>• Volatile organic compounds (VOC) | p. 38 |
| **306-3** | Waste generated | Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste. | p. 38 |
| **306-4** | Waste diverted from disposal | Total weight of waste diverted from disposal in metric tons, and a breakdown of this total by composition of the waste. | p. 38 |
| | | Total weight of hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations:<br>• Recycling;<br>• Other recovery operations. | p. 38 |
| | | Total weight of non-hazardous waste diverted from disposal in metric tons, and a breakdown of this total by the following recovery operations:<br>• Recycling;<br>• Other recovery operations. | p. 38 |
| **306-5** | Waste directed to disposal | Total weight of waste directed to disposal in metric tons, and a breakdown of this total by composition of the waste | p. 38 |
| | | Total weight of hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations:<br>• Incineration (with energy recovery);<br>• Incineration (without energy recovery);<br>• Landfilling; | p. 58 |

| GRI standard reference | | Quantitative indicators assured | Report page |
|---|---|---|---|
| | | • Other disposal operations. | |
| | | Total weight of non-hazardous waste directed to disposal in metric tons, and a breakdown of this total by the following disposal operations:<br>• Incineration (with energy recovery);<br>• Incineration (without energy recovery);<br>• Landfilling;<br>• Other disposal operations. | p. 51 |
| **401-1** | New employee hires and employee turnover | Total number of new employees during the reporting period and rate of new employee hires during the reporting period, by age group and gender. | p. 60 |
| **403-8** | Work-related injuries | The number of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by an occupational health and safety management system. | p. 60 |
| **403-9** | Work-related injuries | For all employees:<br>• The number and rate of fatalities as a result of work-related injury;<br>• The number and rate of high-consequence work-related injuries (excluding fatalities);<br>• The number and rate of recordable work-related injuries;<br>• The number of hours worked. | p. 58 |
| **403-10** | Work-related ill health | For all employees:<br>• The number of fatalities as a result of work-related ill health;<br>• The number of cases of recordable work-related ill health;<br>• The main types of work-related ill health. | p. 58 |
| **404-1** | Average hours of training per year per employee | Average hours of training that the organization's employees have undertaken during the reporting period, by:<br>• gender;<br>• employee category. | p. 57 |
| **404-3** | Percentage of employees receiving regular performance and career development reviews | Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period. | p. 57 |
| **405-1** | Diversity of governance bodies and employees | Percentage of individuals within the organization's governance bodies in each of the following diversity categories:<br>• gender;<br>• age group: under 30 years old, 30-50 years old, over 50 years old. | p. 56 |
| | | Percentage of employees per employee category in each of the following diversity categories:<br>• gender;<br>• age group: under 30 years old, 30-50 years old, over 50 years old. | p. 56 |

# Disclosures in Accordance with Art. 964b of the Swiss Code of Obligations

The below summarises how this report complies with the requirement of Art. 964b of the Swiss Code of Obligations.

| Art. 964b content requirement | Richemont's Non-Financial Report 2024 chapter |
|---|---|
| **Description of business model** | – Introduction |
| **Description of main risks** | – Introduction<br>  – ESG Management System<br>  – Materiality Assessment<br>  – ESG Risk Management<br>– Acting on our Environmental Impact<br>  – Introduction<br>– Influencing our Supply Chain<br>  – Introduction |
| **Environmental matters (including $CO_2$ goals)** | – Introduction<br>  – ESG Management System<br>  – Standards of Business Conduct<br>  – Materiality Assessment<br>  – ESG Risk Management<br>– Acting on our Environmental Impact<br>– Acting on our Social Impact<br>  – Ensuring the Health and Safety of our People<br>– Influencing our Supply Chain<br>  – Introduction<br>– Sustainability Governance<br>  – Maintaining the Trust of Clients and Stakeholders |
| **Social issues** | – Introduction<br>  – ESG Management System<br>  – Standards of Business Conduct<br>  – Materiality Assessment<br>  – ESG Risk Management<br>– Acting on our Social Impact<br>– Influencing our Supply Chain<br>– Sustainability Governance<br>  – Maintaining the Trust of Clients and Stakeholders<br>  – Business and Human Rights |
| **Employee-related issues** | – Introduction<br>  – ESG Management System<br>  – Standards of Business Conduct<br>  – Materiality Assessment<br>  – ESG Risk Management<br>– Acting on our Social Impact<br>– Sustainability Governance<br>  – Business and Human Rights |
| **Respect for human rights** | – Introduction<br>  – ESG Management System<br>  – Standards of Business Conduct<br>  – Materiality Assessment<br>  – ESG Risk Management<br>– Influencing our Supply Chain<br>– Acting on our Social Impact<br>– Sustainability Governance<br>  – Business and Human Rights<br>  – Speaking Up and Reinforcing our Values |
| **Combatting corruption** | – Introduction<br>  – ESG Management System<br>  – Standards of Business Conduct<br>  – Materiality Assessment<br>  – ESG Risk Management<br>– Influencing our Supply Chain<br>  – Introduction<br>– Sustainability Governance<br>  – Promoting Transparency and Integrity |

# Disclosure in Accordance with Art. 964j-l of the Swiss Code of Obligations and the Swiss Ordinance on Due Diligence and Transparency in Relation to Minerals and Metals from Conflict-Affected Areas and Child Labour

The below addresses the reporting requirement of Art. 964l of the Swiss Code of Obligations in relation to minerals and metals from conflict-affected areas and child labour.

Relevant disclosures can also be found in the Influencing our Supply Chain chapter and in the Business and Human Rights section of the Sustainability Governance chapter of the Non-Financial Report 2024.

## Conflict Minerals and Metals

Regarding minerals and metals from conflict-affected areas, the thresholds are only exceeded for tungsten and gold. However, Richemont has assessed that the Group only imports and processes in-scope materials in Switzerland from non-conflict-affected/high-risk areas. The due diligence process in place for the sourcing of gold, which is of great importance to some of the unique creations that the Group's Maisons design and craft, is described in the Gold section of the Influencing our Supply Chain Chapter of the Report.

## Child Labour

### Introduction

Richemont is committed to upholding the principles outlined in its Standards of Business Conduct and in the Human Rights Statement. The Group prohibits the use of child labour across its operations and wants its value chain to be free from such practices, in accordance with the ILO Fundamental Conventions.

As described in the Introduction and in the Sustainability Governance chapters, Richemont has established a management system designed to identify potential risks related to child labour. This system takes into consideration the scope of the Group's operations and the extent of its value chain. In this context, it is specifically the gemstone sector that is most exposed to child labour risk due to the localisation of gemstone deposits in certain regions of the world and the prevalence of artisanal and small-scale mining.

To support its commitments to responsible business practices, Richemont has developed a set of policies and standards, as well as implemented a Responsible Sourcing program that focuses on identifying and managing risks and impacts, with a particular emphasis on raw materials supply chains. By taking these steps, the Group is diligently working towards ensuring that its value chain is free from child labour.

### Policies & Standards

As highlighted in the introduction, prohibition of child labour is rooted in the Richemont Human Rights Statement and in its Standards of Business of Conduct. Furthermore, the Raw Material Sourcing policy is also mirroring the Group's commitment to prohibiting child labour.

Richemont is committed to ensuring responsible practices throughout its value chain, including its own workforce, internal activities, and privileged partners and suppliers. This commitment is reflected in the Supplier Code of Conduct (SCoC), which applies to all suppliers, regardless of their fields of operation, in both the direct and indirect procurement categories of Richemont. The SCoC requires that suppliers adhere to Richemont's requirements and any of its subsequent amendments or updates, and ensure its implementation upstream to their own suppliers at all stages or levels of the supply chain. In accordance with the ILO Fundamental Conventions, the SCoC mandates that no individual should be employed below the age of 15 or lower than the local minimum age for employment and completion of mandatory education, whichever is the highest.

### Risk Assessment & Due Diligence

Richemont's Responsible Sourcing and Due Diligence programmes have been developed in alignment with the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct. Richemont applies a risk-based approach to due diligence based on the UNICEF child labour country risk, as defined in the Children's Rights in the Workplace Index[1]. The risk assessment process is aided by ESG screening tools that are connected to international sources and standards in the fields of human and labour rights. These tools assist Richemont in identifying potential risk areas and prioritising actions.

The level of scrutiny is commensurate with the risks identified, especially considering the potential exposure to the risk of child labour in the gemstone sector.

As Richemont operates on a global scale, its Responsible Sourcing programme takes into account regional specificities as appropriate.

In relation to Richemont's Indirect procurement categories, the Group consistently applies the risk-based approach described above.

The Group requires third-party audits and certifications that cover child labour for its direct suppliers (Tier 1) as a pre-requisite.

With regards to audit and certifications, Richemont mainly leverages on the below, as described in the Influencing our Supply Chain chapter:

- Responsible Jewellery Council: In the space of precious materials, Richemont leverages on the RJC Code of Practices ('CoP'), a certification system that applies to all members' businesses involved in the supply chain of precious metals, diamonds, and coloured gemstones. The RJC COP stipulates that members shall not engage in or support child labour as defined in ILO Conventions. Furthermore, the RJC's Due Diligence requirements, which are fully consistent with OECD Guidance, are integral part of the RJC Code of Practices Standards and are mandatory for all RJC certified members.
- SMETA audits: Richemont is an active member of SEDEX (Supplier Ethical Data Exchange) and deploys SMETA (Sedex Members Ethical Trade Audit) audits globally in its core supply chains. SMETA is an internationally recognised audit standard and evaluates all ESG dimensions of a company's operations, including labour rights and child labour, health and safety, environmental impact, and business ethics.
- ISO Certifications: ISO 14001, ISO 45001 and SA8000 are required depending on supplier risk profile.

All of the above is supported by a supply chain traceability system. The Group defines traceability and transparency as follows:

- Traceability: A process by which Richemont tracks materials and products through the supply chain. Traceability criteria and scope depend on the supply chain and/or the product to be traced;
- Transparency: Capacity to identify the name and location of all actors in the upstream supply chains up to the origin of the raw material. Transparency is one of the traceability criteria.

### Grievance and Reporting Mechanisms

Richemont holds several mechanisms to identify a potential alert along its value chain.

The Richemont Speak Up Platform was launched in June 2022 as a crucial component of the Group's ethical standards. The Platform enables employees and third parties to report any concerns via telephone or an online form, with the option of anonymity. This year, it was expanded to allow third parties, such as suppliers, to report concerns regarding unethical and illegal behaviour.

The Group complements its responsible sourcing program with a red flag management process that forms part of its early-warning risk-awareness system. Richemont identifies red flags as preliminary alerts, warnings, or indicators of potential risks. These are typically based on factors such as the geographic origin and transit route of the material, as well as the location and sourcing practices of suppliers.

1 Available at: http://www.childrensrightsatlas.org > data and indices

# Glossary

| | |
|---|---|
| **ACT** | Academy of Commercial Talents |
| **APAC** | Asia-Pacific |
| **APPI** | Act on the Protection of Personal Information (Japan) |
| **BECS** | Biodiversity Extent, Condition and Significance |
| **BREEAM** | Building Research Establishment Environmental Assessment Methodology |
| **CAHRAs** | Conflict Affected and High-Risk Areas |
| **CCC** | Chemical Competence Center |
| **CDP** | Carbon Disclosure Project |
| **CEDAW** | Convention on the Elimination of All Forms of Discrimination against Women |
| **CFO** | Chief Finance Officer |
| **CGWG** | Coloured Gemstones Working Group |
| **CIRAIG** | International Reference Centre for the Life Cycle of Products, Processes and Services |
| **CITES** | Convention on International Trade of Endangered Species |
| **CPRA/CCPA** | California's Privacy Rights Act |
| **CY** | Calendar Year |
| **DEI** | Diversity, Equity and Inclusion |
| **EACs** | Energy Attribute Certificates |
| **EIA** | US Energy Information Administration |
| **ERG** | Employee Resource Group |
| **ERM** | Enterprise Risk Management |
| **ESCP** | École Supérieure de Commerce de Paris |
| **ESG** | Environmental, Social and Governance |
| **ESG ROA** | ESG Risk and Opportunity Assessment |
| **ETVJ** | Ecole Technique de la Vallée de Joux |
| **FAQ** | Frequently Asked Questions |
| **FY** | Financial Year |
| **G&S** | Governance and Sustainability |
| **GDPR** | General Data Protection Regulation |
| **GHG** | Greenhouse Gases |
| **GRI** | Global Reporting Initiative |
| **GSC** | Gold Sourcing Committee |
| **GWh** | Gigawatt hours |
| **H&S** | Health & Safety |
| **HEAD** | Haute Ecole d'Art et Design de Genève |
| **HEC** | École des hautes études commerciales de Paris |
| **HR** | Human Resources |
| **HSE** | Health, Safety & Environment |
| **ICFA** | International Crocodilian Farmers Association |
| **ILO** | International Labour Organization |
| **IMD** | International Institute for Management Development |
| **IP** | Intellectual Property |
| **IT** | Information Technology |
| **KPCS** | Kimberley Process Certification Scheme |
| **KPI** | Key Performance Indicator |
| **KYC** | Know Your Counterparty |
| **L&D** | Learning and Development |
| **LCA** | Life Cycle Assessment |
| **LEED** | Leadership in Energy and Environmental Design |
| **LFPDPPP** | Law on the Protection of Personal Data held by Private Parties (Mexico) |
| **LGPD** | General Data Protection Law (Brazil) |
| **LWG** | Leather Working Group |
| **MEIA** | Middle East, India & Africa |
| **MIT** | Massachusetts Institute of Technology |
| **nFADP** | New Federal Act on Data Protection (Switzerland) |
| **NGO** | Non-Governmental Organisation |
| **NMVOC** | Non-Methane Volatile Organic Compound |
| **NOx** | Nitrous Oxides |
| **OECD** | Organisation for Economic Co-operation and Development |
| **OSHA** | Occupational Safety and Health Administration |
| **P&TC** | Product and Trade Compliance |
| **PEF** | Product Environmental Footprint |
| **PIPA** | Personal Information Protection Act (Korea) |
| **PIPEDA** | Personal Information Protection and Electronic Documents Act (Canada) |
| **PIPL** | Personal Information Protection Law (China) |
| **POSM** | Point of Sales Materials |
| **PRSL** | Product Restrictive Substance List |
| **PSIA** | Product Social Impact Assessment |
| **PVC** | Polyvinyl Chloride |
| **QTEM** | Quantitative Techniques for Economics and Management |
| **RJC** | Responsible Jewellery Council |
| **RJC CoC** | Responsible Jewellery Council Chain of Custody |
| **RJC COP** | Responsible Jewellery Council Code of Practices |
| **ROA** | Risk and Opportunity Assessment |
| **SBT** | Science Based Targets |
| **SBTi** | Science Based Targets initiative |
| **SCoC** | Supplier Code of Conduct |
| **SEC** | Senior Executive Committee |
| **SDGs** | United Nations' Sustainable Development Goals |
| **SIG** | Services Industriels de Genève |
| **SIW** | Special Industrial Waste |
| **SME** | Small and Medium Enterprise |
| **SméO** | Sol, Matériaux, Energie et Eau |
| **SMETA** | Sedex Members Ethical Trade Audit |
| **SNBS** | Standard Nachhaltiges Bauen Schweiz |
| **SoN** | State of Nature |
| **SSCC** | Stone Supply Chain Committee |
| **TCFD** | Task Force on Climate-related Financial Disclosures |
| **TRACIT** | Transnational Alliance to Combat Illicit Trade |
| **UNGC** | United Nations Global Compact |
| **UNICEF** | United Nations Children's Fund |
| **W&JI** | Watch & Jewellery Initiative 2030 |
| **WALDB** | World Apparel and Footwear Life Cycle Assessment Database |
| **WDC** | World Diamond Council |
| **WEEE** | Waste Electrical and Electronic Equipment |
| **WOSTEP** | Watchmakers of Switzerland Training and Educational Programme |

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