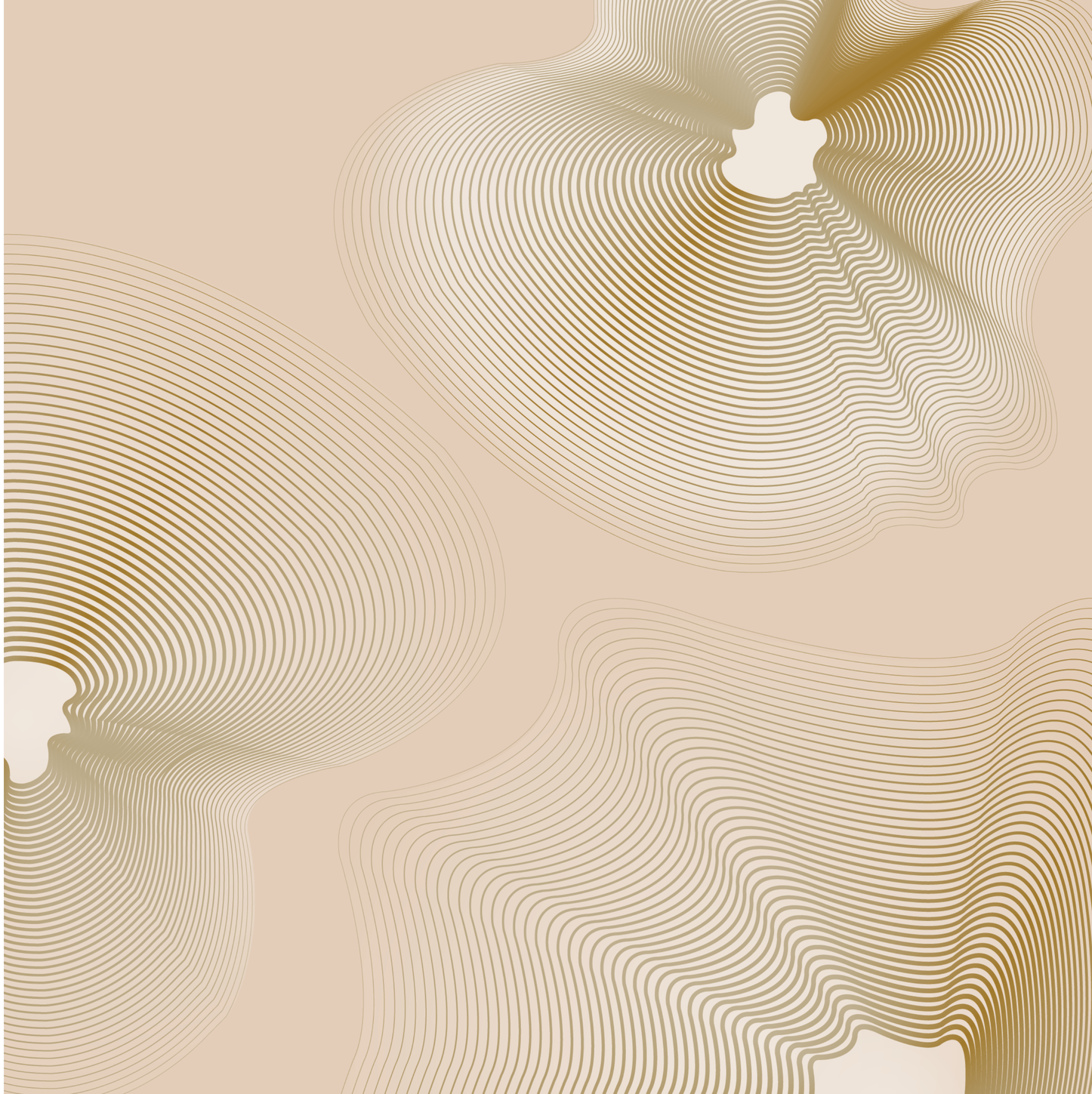
RICHEMONT

SUSTAINABILITY REPORT

2022



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ABOUT THE COVER

Inspired by the growth rings of wood, the cover for the Richemont Sustainability Report 2022 fosters a sense of oneness and circularity with our ecosystem. The concentric organic forms reflect our actions of the past hundreds, or even thousands, of years as we can learn about the geographic climate changes through the formation. Reminded of the patience and time that it takes for wood to grow ring by ring, the cover inspires sustainability actions to be engaged in continuously year on year.

Cover designer, Student
at the Creative Academy,
Class 2021–2022

At Richemont, we believe in adding value to society beyond the scope of our business. And, as experts in the field of crafting beauty, we know we play a major role in preserving and sharing excellence.

That is why education and knowledge sharing are essential to who we are and what we do.

Crafting the future relies on heritage and on engaging with young people. Because of this, we have helped to create several schools and apprenticeship programmes, to ensure our know-how is disseminated widely and effectively.

Artistic expression is at the heart of our Maisons' creations. At Group level, this manifests as our commitment to sustainability.

Because all these topics are extremely important to us, we are strengthening the link between them with the launch of an art contest for the cover of this year's report.

Students from the Creative Academy were asked to design a piece of art, highlighting the connections between our work and the environment. We invited them to develop emotive pieces.

ABOUT THE CREATIVE ACADEMY

Founded in 2003 by Richemont, the Milan-based Creative Academy offers a master's degree in design and applied arts. Each year the course trains 20 international students in the fields of watchmaking, jewellery and fashion accessories.

The Creative Academy acts as a bridge between theory and professional practice. Its mission is to give young future professionals the tools they need to work within an ever-evolving luxury sector.

ABOUT THIS REPORT

ORGANISATION COVERED

This report covers the entire Compagnie Financière Richemont SA, which consists of all its Maisons, subsidiaries and Regional Offices accounted for by the financial control method.

Unless the context suggests otherwise, the terms 'we', 'us', 'our', 'Group', 'Company' and 'Richemont' refer to Richemont International SA.

PERIOD COVERED

This report focuses on activities undertaken during the financial year 2022 (1 April 2021–31 March 2022), except for Environment and Communities data, which relate to calendar year 2021.

STANDARDS

This report has been prepared in accordance with the GRI core option. Richemont continues to report against the Sustainability Accounting Standards Board (SASB) Apparel, Accessories & Footwear industry guidelines. In addition, this year Richemont has also chosen to report against a select few relevant indicators from the SASB Multiline and Speciality Retailers & Distributors industry guidelines which are most material to its business.

ASSURANCE

This report has been verified by Ernst & Young Associates LLP.

ACCOUNTING STANDARDS

Figures are compiled pursuant to International Financial Reporting Standards (IFRS).

DATE OF PUBLICATION

2 June 2022

FOR ENQUIRIES REGARDING THIS REPORT, PLEASE CONTACT:

sustainability.team@richemont.com

RICHEMONT AT A GLANCE

INTRODUCTION

Doing business responsibly is at the core of Richemont's values and an essential benchmark for all our stakeholders, from our colleagues and customers to our suppliers, shareholders and society at large.

Despite the challenging economic environment and ongoing uncertainty, we continued to accelerate our sustainability efforts during our fiscal year 2022, delivering on our short, medium and long-term goals.

STEPPING UP SUSTAINABILITY FOCUS

Building upon Richemont's top-ranking Environmental, Social and Governance (ESG) achievements, we were delighted to welcome Dr Bérangère Ruchat, our first Chief Sustainability Officer, in February 2022. She brings an outstanding track record in delivering sustainability performance through setting ambitious ESG goals, building innovative partnerships and developing strong teams. With her deep sustainability expertise and passion for impact reporting, she is the partner of choice for our Maisons to accelerate their ESG performance.

THE SDGS, OUR COMPASS

Our approach to sustainability is rooted in our values and purpose: 'We Craft the Future'. Progress made against the Richemont Transformational Plan outlined in this report demonstrates how the SDGs are guiding us, as a compass for our actions. As a participant of the UN Global Compact since 2013, we are guided by its Ten Principles in the areas of human rights, labour, the environment and anti-corruption.

REDUCING OUR ENVIRONMENTAL FOOTPRINT

In FY22, Richemont was recognised for its leadership in corporate sustainability by the global environmental non-profit organisation CDP, achieving a place on its A List for tackling climate change, one of 200 companies out of 12 000 ranked. Our progression from A- to A is testament to our colleagues' hard work at Richemont, which has enabled us to make progress on our Science Based Targets (SBTs). Validated by the Science Based Targets initiative in July 2021, our SBTs provide us with a clearly defined pathway to reduce our impact on climate change, while future-proofing our business for greener growth.

Last year, we joined the RE100, a global initiative of the world's most influential companies, all committed to 100% renewable power. We are making good progress on our ambitious goal of 100% renewable electricity across all our sites by 2025. Today, we are operating with 92% renewable electricity worldwide.

Richemont has decided to stop the use of PVC in all products and packaging by December 2022. We will continue to work collaboratively with industry organisations and our business partners to promote best practices across our supply chain.

AMPLIFYING OUR SOCIAL HANDPRINT

As part of our commitment to amplify our social impact, we concluded our first Product Social Impact Assessment (PSIA) on artisanal and small-scale mined (ASM) gold, and designed an approach for future social projects. Through the PSIA, we can evaluate specific operators and measure their overall social and human rights performance.

Working to positively impact the communities where we operate, in calendar year 2021, we donated a total of over €42 million to community investment-related initiatives, a 17% year-on-year increase. In under five years, we have stepped up our giving by 40% to charities concerned with healthcare, social and economic development, education, and women and children's welfare.

We were proud to be ranked on the World's Best Employers 2021 by Forbes, recognising our ongoing transformation to become a people-centric organisation that offers our colleagues greater levels of listening and support across their entire employee journey.

REFINING OUR GOVERNANCE

Each year, we refine our governance processes to ensure they can fuel the level of change we need to become a truly sustainable business. Building on the successful establishment of our Board of Directors' Governance and Sustainability Committee under Clay Brendish in 2021, we were delighted to appoint Jasmine Whitbread as the Committee's new Chair. Ms Whitbread is a non-executive director with extensive experience in ESG initiatives.

In FY22, Richemont received a Sustainalytics rating of 10.7, highlighting our low ESG risk profile and ranking the Group in the top 2% of companies rated worldwide. This score surpasses our 2020 rating of 11.3. Our rating positions the Group as an industry leader in the top 10 amongst our peers globally and one of the best companies in Europe.

Chloé's B Corp certification in 2022 makes them the first luxury Maison in the industry to achieve this highly demanding endorsement, demonstrating the highest social and environmental performance levels.

OUR FUTURE AMBITIONS

We are committed to driving environmental and social progress through our practices, products and supply chain. We will continue to allocate more resources to sustainability to meet our climate and other sustainability targets, with a particular focus on biodiversity, the environment, education and the preservation of the métiers d'art.

We recognise that collaborative relationships with our colleagues, customers, suppliers, partners, shareholders and the wider society are key to achieving the long-term value and mutual benefits that sustainability can provide to our business. Working hand-in-hand, we can deliver positive environmental and social impacts, while ensuring our business continues to thrive in the future.

BURKHART GRUND
Chief Finance Officer
Board Member

ABOUT RICHEMONT INTERNATIONAL SA

Richemont was founded in 1988. Our family spirit allows our Maisons and businesses to grow while staying true to their heritage. We nurture their distinctive craftsmanship, innovative spirit and creative inspiration.

Our unique portfolio includes prestigious Maisons, alongside Online Distributors that cultivate expert curation and technological innovation to deliver the highest standards of service.

We operate in four business areas:

JEWELLERY MAISONS

- BUCCELLATI
- Cartier
- Van Cleef & Arpels

SPECIALIST WATCHMAKERS

- A. LANGE & SÖHNE
- BAUME & MERCIER
- IWC SCHAFFHAUSEN
- JAEGER-LECOULTRE
- PANERAI
- PIAGET
- ROGER DUBUIS
- VACHERON CONSTANTIN

ONLINE DISTRIBUTORS

- WATCHFINDER&Co.
- NET-A-PORTER
- MR PORTER
- THE OUTNET
- YOOX

ONLINE FLAGSHIP STORES

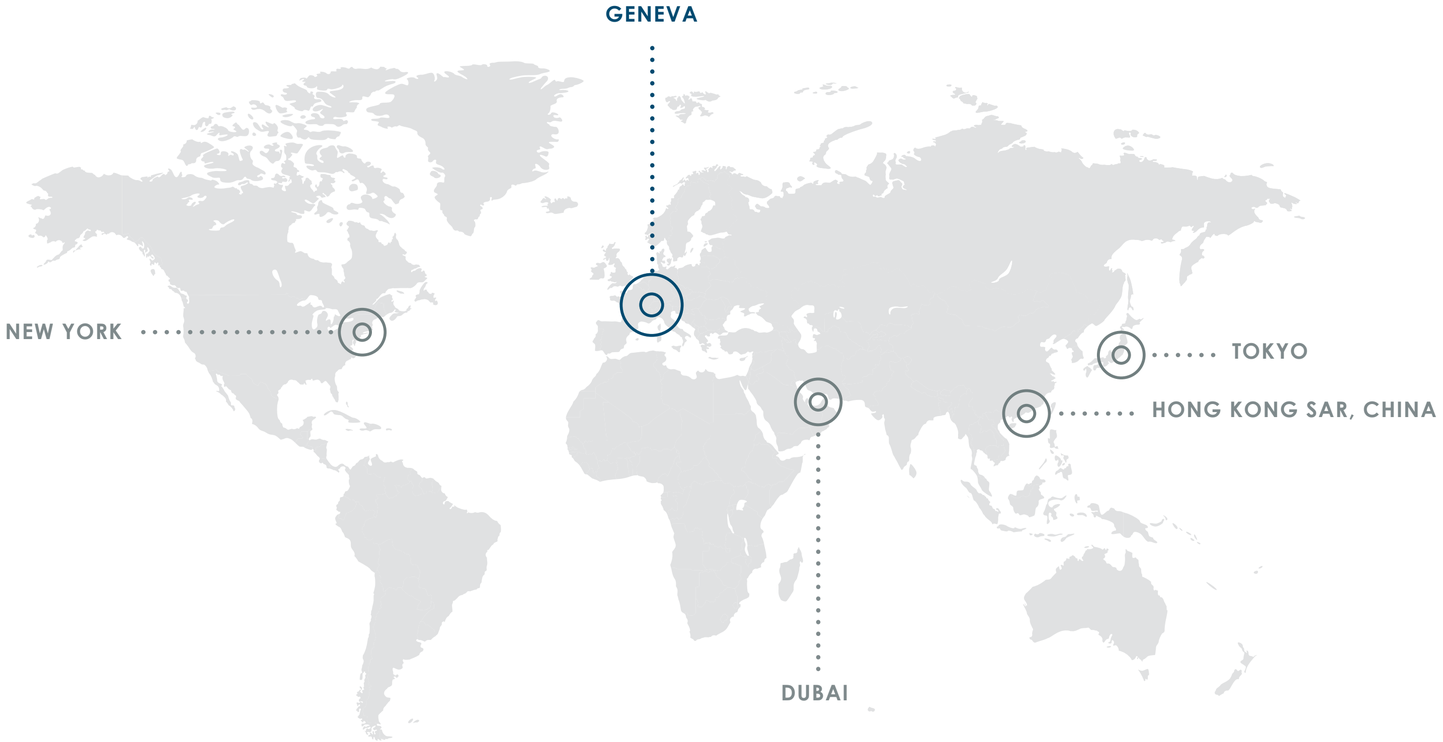
FASHION & ACCESSORIES/OTHER

- ALAÏA
- MONTBLANC
- dunhill
- PETER MILLAR
- AZ FACTORY
- PURDEY
- Chloé
- SERAPIAN MILANO
- DELVAUX
- TIMEVALLÉE

At Richemont, we craft the future

Our global presence spans more than 130 countries.

At the end of March 2022, primarily in Europe, we directly employed more than 35 000 people.



20% OF THESE WORK IN OUR MANUFACTURING OPERATIONS IN SWITZERLAND, FRANCE, GERMANY, ITALY AND THE UK.

Our headquarters are in Bellevue, Canton Geneva, Switzerland.

FIVE REGIONAL OFFICES PROVIDE SUPPORT SERVICES TO OUR MAISONS IN:

- Geneva for Europe
- Dubai for the Middle East, Africa and India
- Hong Kong SAR, China for Asia Pacific (excluding Japan)
- Tokyo for Japan
- New York for the Americas.

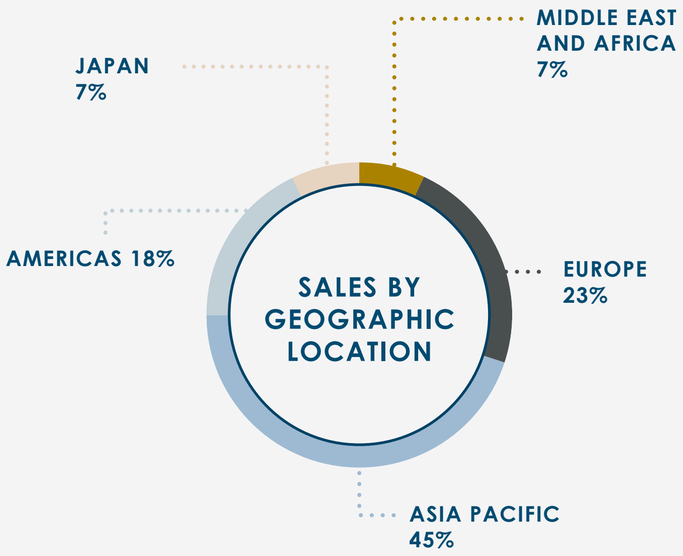
KEY FIGURES

SALES
€19BN

OPERATING PROFIT
€3.4BN

JEWELLERY SALES
€8.3BN

WATCH SALES
€6.1BN



Our network consists of almost 2 250 boutiques.

1 190 are directly operated by Richemont and 74% of Group sales are now direct sales to customers.

MATERIALITY OF 'EXCLUSION CRITERIA'

In addition to widespread investor demand for environmental, social and governance disclosures, a number of 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 PERFORMANCE HIGHLIGHTS 2022

ENVIRONMENT | SOCIAL | GOVERNANCE

MSCI ESG RATINGS AA

CCC | B | BB | BBB | A | AA | AAA

CDP DISCLOSURE INSIGHT ACTION A LIST 2021 CLIMATE

€42M Community Investment spend (+17% vs. 2021)

Sustainalytics 10.7 in top 2%

SUSTAINALYTICS a Morningstar company ESG REGIONAL TOP RATED 2022

SUSTAINALYTICS a Morningstar company ESG INDUSTRY TOP RATED 2022

WORLD'S BEST EMPLOYERS Forbes 2021 POWERED BY STATISTA

First Chief Sustainability Officer in 2022

Governance and Sustainability Board Committee established in 2021

FT FINANCIAL TIMES statista CLIMATE LEADERS 2022

First Product Social Impact Assessment for small-scale gold mining

92% renewable electricity (+28% vs. 2019)

Joined RE100 RE100 CLIMATE GROUP CDP

Activated our Global Diversity, Equity & Inclusion Vision

Global Head of Diversity, Equity & Inclusion (DEI) in 2019

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Validated July 2021

FOUNDATIONS & SCHOOLS

FOUNDATIONS

PHILANTHROPY Cartier

Fondation Cartier pour l'art contemporain

MICHELANGELO FOUNDATION FOR CREATIVITY AND CRAFTSMANSHIP

FONDAZIONE COLOGNI MESTIERI D'ARTE

FHH FONDATION HAUTE HORLOGERIE FOUNDATION HIGH HOROLOGY

MONTBLANC CULTURAL FOUNDATION · MONTBLANC KULTURSTIFTUNG ·

FONDATION AZZEDINE ALAÏA

Laureus

PEACE PARKS™ FOUNDATION

SCHOOLS

Creative Academy

INSTITUT Cartier JOAILLERIE

L'ÉCOLE SCHOOL OF JEWELRY ARTS Supported by Van Cleef & Arpels

IOSW INSTITUTE OF SWISS WATCHMAKING

ECOLE DES MÉTIERS ET ARTISANS DE HAUTE HORLOGERIE

RICHEMONT Retail Academy

institut horlogerie Cartier

RICHEMONT SUSTAINABILITY STRATEGY

EVOLVING OUR SUSTAINABILITY STRATEGY

Sustainability is a journey for any company. With the arrival at the start of this calendar year of our first Chief Sustainability Officer, we have now embarked on the next phase of our Sustainability Strategy.

Dr Bérangère Ruchat will bring her deep sustainability expertise and collaborative track record to further develop the Group's vision and step up its sustainability ambition.

This report includes examples of our Maisons' responsible business practices, which demonstrate how they:

- Have embraced the Science Based Targets (SBTs) for climate
- Innovate towards more circularity
- Champion inclusivity and diversity, and other impact-driven decisions.

Implementing our strategic ambitions requires us to embed new skills and a mindset within a strong organisation. Each Group's Maison and Regional Function has a designated Sustainability leader.

There are more than 40 full-time equivalent people in Sustainability roles. This community collaborates daily with the Group Sustainability Team, and with Group experts on topics like diversity, equity and inclusion, community investment, precious materials, and the environment. Learning opportunities are offered including during an annual conference, which this year took place in January.

To further embed expertise across the Group, we have established a Sustainability Academy, which aims to strengthen knowledge and skills around a wide range of sustainability topics.

As outlined later in this chapter, our ESG ambitions will continue to be grounded in the UN's Sustainable Development Goals (SDGs). This global compass has already inspired concrete actions from our Maisons, to innovate for a better future. Our double materiality analysis, also described later in this chapter, informs our next strategic choices and suggests our new priorities.

It is an honour to be leading Richemont's sustainability function since 1 February 2022. With my team, I am building a new and more ambitious vision for the Group, its Maisons and its Regions. Together, we will accelerate and amplify our ESG transformation.

Our mission is to infuse an impact-driven mindset, enabling our colleagues to understand and integrate environmental and social dimensions into every business decision. Following global standards, we are committed to expanding our sustainability reporting and operating with the highest level of corporate governance.

DR BÉRANGÈRE RUCHAT
Chief Sustainability Officer

ACTIONS TAKEN TOWARDS THE SDGS

This section provides some examples of the actions we have taken to advance the Global Goals.

5 GENDER EQUALITY

SDG 5:

Achieve gender equality and empower all women and girls.

Specifically SDG 5.5: 'Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.'

- Cartier Joaillerie, IWC and Vacheron Constantin achieved Equal Salary Certification.
- Since 2021, Cartier have been a member of the Unstereotype Alliance.
- The Cartier Women's Initiative is an annual international entrepreneurship programme which has supported, since 2006, 262 women changemakers hailing from 62 countries and has awarded a total of $6 440 000 in prize money to support their businesses. For its 15th anniversary, the programme has brought together its global community of impact leaders in Dubai to shine a light on women changemakers and to collectively shape the future of the programme, looking at ways to expend opportunities to more impact entrepreneurs around the world.
- In January 2021, Chloé signed the UN's Women's Empowerment Principles.
- Jaeger-LeCoultre have implemented a 3G programme to guarantee generational, gender and geographic balance across the organisations they collaborate with. A women's leadership mentoring programme was launched in January 2022.

8 DECENT WORK AND ECONOMIC GROWTH

SDG 8:

Promote inclusive and sustainable economic growth, full and productive employment and decent work for all.

Specifically SDG 8.2: 'Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors' and SDG 8.4: 'Improve progressively global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation.'

- In November 2021, dunhill launched their new POS packaging and shopping bags, which are made from a minimum of 40% Post Consumer Waste (PCW), are 100% recyclable and use FSC-certified renewable fibres. Removing plastic lamination, the packaging is finished with a compostable varnish to ensure performance, durability and reuse.
- In 2021, Montblanc accelerated their sustainability roadmap on materials such as leather and nylon:
  - Launched "Montblanc Blue Spirit", with fully recycled nylon made from post-consumer waste from the ocean such as fishing nets
  - Progressed in supplier engagement with new tanneries capable of quantifying their CO_2e emissions
  - Developed a new buckle, the MLock4810, made in PMMA, PVC-free and 100% recyclable
  - Developed fully recyclable alternative materials such as cotton, linen and nylon with the Maison Creative Director
  - Committed to recycling or reusing all Montblanc leather products by 2025

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

SDG 12:

Ensure sustainable consumption and production patterns.

Specifically SDG 12.2: 'Achieve the sustainable management and efficient use of natural resources', SDG 12.5: 'Substantially reduce waste generation through prevention, reduction, recycling and reuse' and SDG 12.6: 'Encourage transnational companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle.'

- Buccellati stopped sourcing protected materials like ivory and coral.
- In April 2021, Panerai introduced eLAB-ID™, a concept watch pushing the limits of recyclability in our industry, with the highest percentage of recycled material ever. Panerai shared information concerning their suppliers and collaborators, recognising that the entire watch industry must have access to the same materials to broaden opportunities for sustainable watchmaking.
- Peter Millar are committed to reducing the amount of material that ends up in landfill by donating post-consumer goods to partners like Pros Fore Clothes Foundation, which provides clothes to people in need.
- Watchfinder & Co. bags and watch boxes are made of 100% recycled material.

13 CLIMATE ACTION

SDG 13:

Take urgent action to combat climate change and its impacts.

We have committed to Science Based Targets in line with the Paris Agreement. Our targets, which were submitted for independent evaluation by the SBTi in May 2021, relate to Scope 1, 2 and 3. We have also committed to lowering our carbon emissions from business travel and to sourcing 100% renewable electricity by 2025. Read about those commitments and our current emissions data in the Environment chapter.

- A. Lange & Söhne worldwide have been powered by 98% renewable electricity since 2021.
- Richemont has been recognised for leadership in corporate sustainability by global environmental non-profit CDP, securing a place on its A List for tackling climate change.

17 PARTNERSHIPS FOR THE GOALS

SDG 17:

Partnerships for the Goals.

Our partnership with standard-setting organisations enables us to build capacity beyond our operations. These organisations promote dialogue and multilateral collaborations to achieve progress on the Global Goals. Only a selection of key partnerships are described below.

WATCH & JEWELLERY INITIATIVE 2030

- Brings together watch and jewellery global players committing to a common core of key sustainability goals. Cartier play a leadership role in the creation and development of the initiative.

Chloé ACHIEVES BCORP CERTIFICATION

- In 2021, Chloé achieved the B Corp Certification, one of the most demanding certifications that evaluates brands' social and environmental impact, with a score of 85.2.

PANERAI

- In 2021, Panerai signed a partnership with IOC-UNESCO (the Intergovernmental Oceanographic Commission of UNESCO), to develop the Ocean Literacy Program, a component of the UN Decade of Ocean Science for Sustainable Development.

REPORTING ON MATERIAL ISSUES

Reporting on materiality: identifying what matters most to our stakeholders

At Richemont, we conduct regular materiality assessment. This comprehensive review identifies the key ESG issues that matter most to our business and stakeholders.

The second assessment, conducted in 2019, confirmed our strategy to report on the Environmental, Social and Governance topics of greatest concern or highest importance for our stakeholders.

These topics are regularly reviewed, but recently received much greater importance in light of the COVID-19 pandemic and foreseeable environmental crises.

In 2021/22, we updated our materiality matrix, which forms the basis of our third materiality assessment. The principle of 'double materiality' has been integrated into the exercise to take a more proactive approach for upcoming reporting requirements (from, for example, the EU Corporate Sustainability Reporting Directive (CSRD) and their Value Reporting Foundation).

The proposed CSRD will require companies to adhere to the double materiality concept, which means publishing the information necessary to understand:

- How sustainability matters affect them, and
- The impact these companies have on people and the environment.

According to the double materiality concept, ESG issues create risks and opportunities that are material from a financial and/or impact perspective.

THE MATERIALITY MATRIX 2021/22

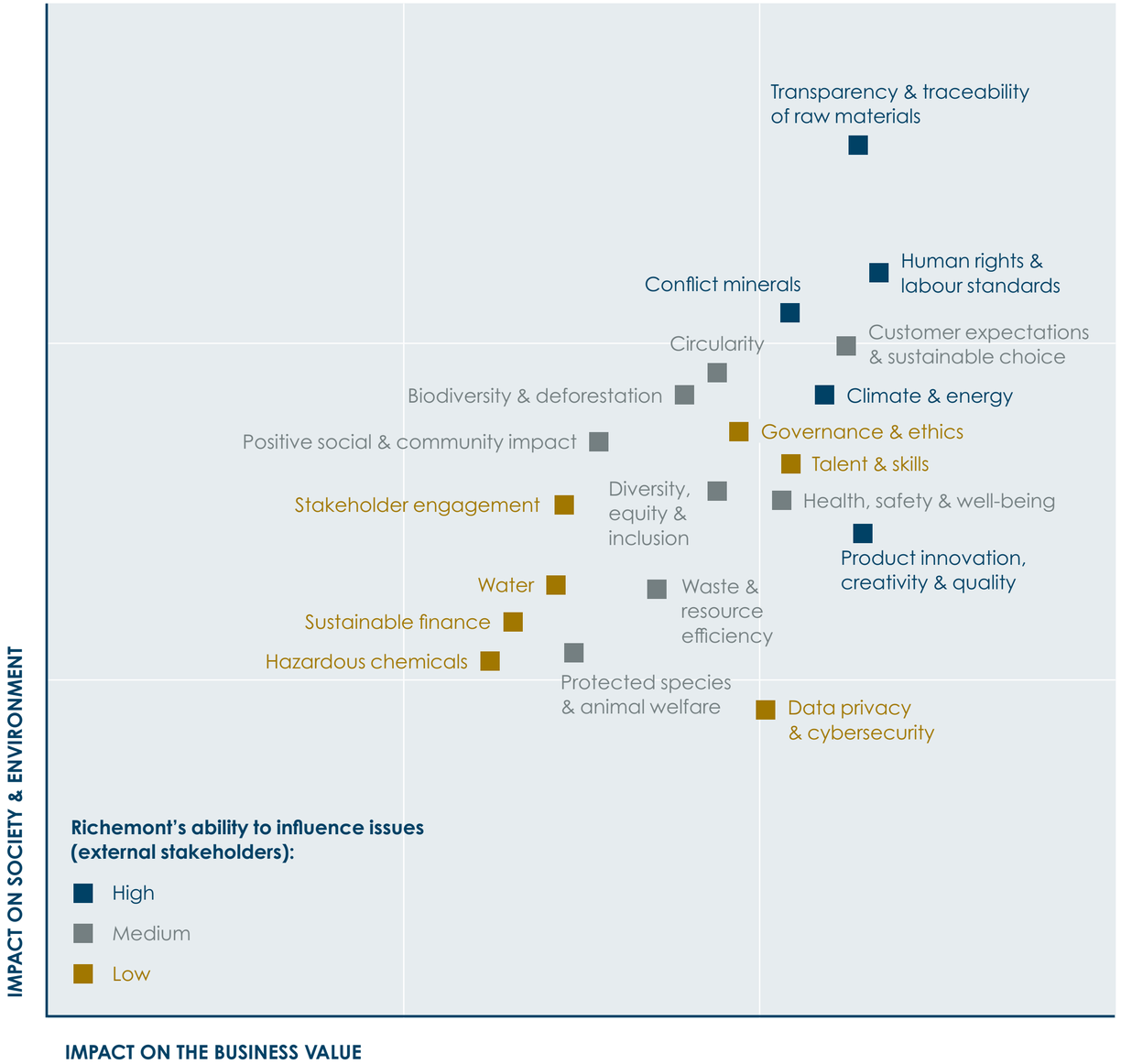
The Materiality Matrix 2021/22 shows that all topics have increased in importance since 2019. This growth is consistent with stakeholder concerns regarding sustainability and ESG matters. Accordingly, the low end of the 2022 Matrix is empty.

The topics in the top right quadrant are our highest priority issues:

1. Transparency and traceability of raw materials
2. Human rights and labour standards
3. Conflict minerals

In a shift from the 2019 assessment, customer expectations and sustainable choice have also increased in importance.

This year's Matrix includes an additional 'lens': external stakeholders' views on our ability to have an impact on priority issues. The coloured dots reflect these with a score of high, medium or low (see the Matrix key for more details).



MATERIALITY MATRIX TOPICS

BIODIVERSITY & DEFORESTATION

- Biodiversity & wildlife preservation
- Net positive impact & restoration of nature & ecosystems
- Deforestation
- Regenerative agriculture
- Soil pollution

CIRCULARITY

- Life Cycle Analysis & sustainable product design
- Circular economy (rental, reuse, repair, resale & recycling)
- Recycled & upcycled metals & textiles
- Disruptive business models (sharing economy & reverse logistics)
- Pre-owned & product longevity

CLIMATE & ENERGY

- GHG reduction & science-based net zero targets
- Supplier environmental requirements
- Energy efficiency
- Renewable energy
- Logistics & transportation
- Business travel & commuting
- Digital environmental footprint
- Customer emissions
- Climate advocacy
- Air pollution

CONFLICT MINERALS

- Sourcing from conflict-affected and high-risk areas (CAHRAs)
- Non-conflict minerals, precious metals, diamonds & gemstones
- Strong management systems & supply chain due diligence

CUSTOMER EXPECTATIONS & SUSTAINABLE CHOICE

- Changing customer demographics & expectations
- Digitalisation & e-commerce impact
- Customer & retailer engagement & satisfaction
- Sustainable choices for consumers

DATA PRIVACY & CYBERSECURITY

- Customer & employee data privacy & protection
- Cybersecurity & business continuity
- Responsible use of customer & employee data

DIVERSITY, EQUITY & INCLUSION

- DEI across gender, race & ethnicity, religion, LGBTQ+ & disability
- DEI in leadership, executive & Board-level positions
- Inclusive marketing
- Access to creative industries
- Support for parents & carers
- Equal pay
- DEI in procurement practices

GOVERNANCE & ETHICS

- Accountability & transparency in reporting
- Anti-bribery & corruption & business ethics
- Tax strategy/fair tax policy
- Public policy engagement & lobbying
- Board composition
- Linking renumeration to sustainability progress

HAZARDOUS CHEMICALS

- Compliance with regulation
- Hazardous substances in products
- Hazardous chemicals in the environment

HEALTH, SAFETY & WELL-BEING

- Healthy & safe workplaces across the value chain
- Ergonomic workspaces
- Employee well-being & mental health
- Employee engagement
- Exposure to chemicals
- Emergency preparedness

MATERIALITY MATRIX TOPICS *CONTINUED*

HUMAN RIGHTS & LABOUR STANDARDS

- No modern slavery or forced or child labour
- Fair working conditions & safe working environment
- Formalised & secure employment
- Human rights due diligence of suppliers
- Freedom of association & collective bargaining
- Living wage/fair wage
- Whistleblowing & Speak Up mechanisms*

POSITIVE SOCIAL & COMMUNITY IMPACT

- Community investment
- Employee volunteering
- Empowering women in supply chains
- Supporting supply chain communities
- Economic contribution
- Supporting artisanal and small-scale mining (ASM)
- Cultural heritage protection

PRODUCT INNOVATION, CREATIVITY & QUALITY

- Product design & process innovation
- Product innovation (inclusive design)
- Innovative materials (alternative "cruelty-free" materials & low-impact leather)
- Quality, performance & reliability
- Anti-counterfeiting

PROTECTED SPECIES & ANIMAL WELFARE

- Cruelty-free materials (animal welfare, leather, fur & exotic skins)
- Certification of ethical sourcing of animal products
- Animal testing & growth hormones
- Use of threatened, endangered & illegal animal skin & fur

STAKEHOLDER ENGAGEMENT

- Engagement with NGOs & civil society
- Industry & cross-sector partnerships to impact ESG agenda (Responsible Jewellery Council)

SUSTAINABLE FINANCE

- ESG criteria in investment decisions & pension funds
- Impact investment (sustainable bonds & internal finance instruments)
- Value reporting

TALENT & SKILLS

- Preserving craftmanship, skills & artisan traditions
- Talent attraction & retention
- Training, development & career progression
- Supporting upskilling of supply chain actions
- Supporting new creative talent
- Workplace culture, benefits & flexible working

TRANSPARENCY & TRACEABILITY OF RAW MATERIALS

- Raw materials traceability (precious metals, diamonds, leather & textiles)
- Ethical & sustainable raw materials certification
- Technology for traceability (blockchain)

WASTE & RESOURCE EFFICIENCY

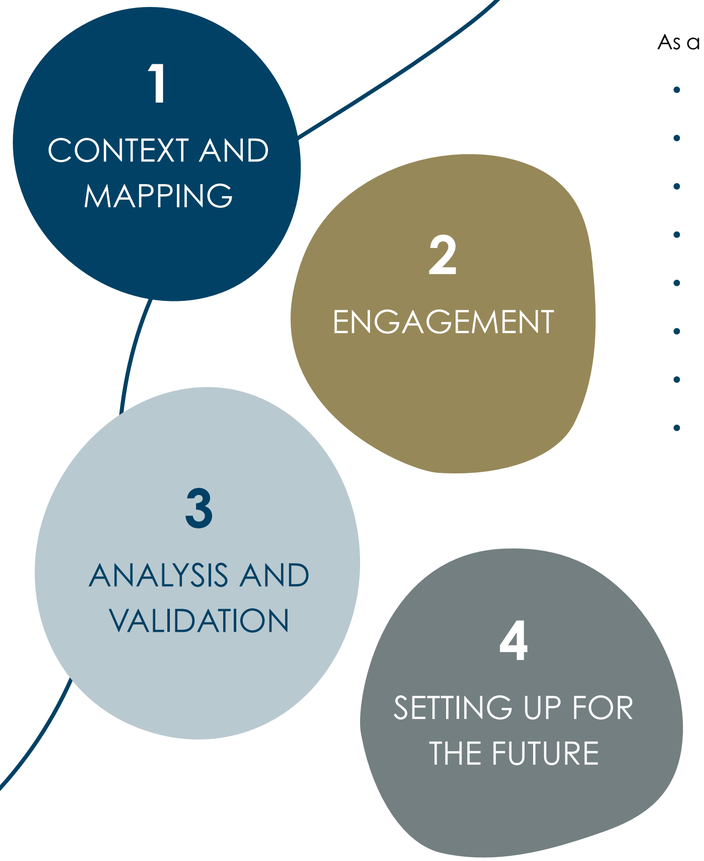
- Recycling & end-of-life management of products, materials & packaging
- Waste reduction
- Material reuse

WATER

- Responsible water consumption & circular water use
- Water pollution & microplastics
- Drought preparedness

**The existing whistleblowing procedure will be replaced by a new Richemont Speak Up Platform and the introduction of a new Speak Up Policy in May/June 2022.*

We conducted our materiality update in four stages:



1. CONTEXT AND MAPPING *(GRI 3-1)*

We started by mapping the key internal and external stakeholders before analysing available sustainability materials, to identify the ESG issues currently being addressed. We also made use of AI and data-driven solutions to give a 360-degree view of the external landscape. The outcomes of this mapping phase were a list of ESG challenges and stakeholders we needed to engage with.

As a result, we liaised with:

- Employees
- Members of the Board
- Investors
- NGOs
- Suppliers
- Governmental and multilateral organisations
- Relevant industry associations
- Customers.

2. ENGAGEMENT

In the 2021/22 assessment, our objective was to have a broader stakeholder engagement than in previous years. We also tried to have a more balanced approach in terms of geographical outreach. Therefore, we adopted a four-layered engagement approach.

Firstly, we conducted an online survey with internal stakeholders to gather quantitative inputs to prioritise ESG issues and additional insights into ESG risks and opportunities for the business. The online survey enabled input representing Richemont's geographical spread and an analysis to help draw out regional differences/views on priority ESG topics.

Secondly, we shared an online survey and conducted interviews with external stakeholders to get their input on priority ESG issues. Then we ordered those issues according to importance/our potential to affect them.

Finally, we interviewed internal stakeholders to discuss priority issues from a business perspective. Data from these interviews was used to engage with senior management and the Board's Governance and Sustainability Committee.

The interviews provided us with critical insights into our future ambitions and expectations, strategic priorities and current ESG performance. Discussions were also used to gain insight into the most material 'inward' or 'outward' impacts, as part of our move towards double materiality.

73% more internal stakeholders engaged in our surveys in the 2021/22 materiality assessment compared to 2019.

Regional representation in 2021 was also slightly up for Asia Pacific and Japan, representing 8% of all stakeholders compared to 2% in 2019.

In 2021/22, we were able to engage in more depth with a broader number of external stakeholders. Almost 70 were interviewed and surveyed in 2021, compared to 17 and 11 for the materiality and Gen Z assessments (respectively) in 2019. Eight stakeholders were interviewed and surveyed in Asia Pacific in 2021, up from 6 in 2019.

3. ANALYSIS AND VALIDATION

The results of the assessment phase were then discussed and presented to a core team of CSR Committee members. The pre-validation session enabled key internal stakeholders to consider whether any changes were required to best reflect strategic priorities and future ambitions.

The materiality assessment gave us access to multiple stakeholder insights, but we realised that some responses are opinions and not necessarily backed up by scientific fact. With this in mind, we slightly adjusted some topics during the internal pre-validation discussion, to make them more appropriate for our upcoming future ambitions.

We have increased the importance of 'biodiversity and deforestation' in terms of its impact on business and on society. Biodiversity and ecosystem services are vital to maintaining human health and well-being, including food provision, water security and regulation of air quality. The latest Convention on Biological Diversity (CBD) Global Biodiversity Outlook Report tells us that natural habitats are continuing to disappear and rising numbers of species are threatened by changes in land use and climate. A top priority for Richemont over the coming years is helping to safeguard biodiversity.

Also discussed was the fact that human rights have a greater reputational risk for Richemont than climate change. And regulatory pressure is increasingly focusing on business and human rights.

We also placed greater emphasis on data privacy and cybersecurity, due to data protection legislation, an increase in e-commerce activity and digitalising the customer experience. This move will bring opportunities as well as challenges. Responsible consumer data usage and data protection have become integral to sustainability actions and measures.

Finally, lessons learned in the wake of COVID-19 have led us to place more emphasis on health and its impact on our business. This is also a reflection of our commitment to respecting human rights.

In March 2022, the Materiality Matrix was approved by the CSR Committee and shared with the Board's Governance and Sustainability Committee, to make them aware of important risks and opportunities affecting our value creation.

4. SETTING UP FOR THE FUTURE

As stated at the start of this chapter, for this year's materiality process, we chose to adopt a 'double materiality' approach, as outlined by the EU CSRD. The exercise has not been easy as the reporting guidelines are not yet complete.

We will therefore continue to monitor formalised reporting requirements, particularly regarding double materiality. In terms of the CSRD, companies will apply the directive for the first time in 2024, based on the financial year 2023.

The 2021/22 materiality process saw a significant rise in the number of internal and external stakeholders engaged, compared to 2019 (see the above section on engagement). While the number of stakeholders engaged from Asia Pacific increased in 2021, there is scope to increase this further to better reflect the Region's importance to Richemont.

Greater balance could also be achieved between external stakeholder groups. Given the importance of customers and the increased expectations from Gen Z on ESG issues, we could conduct deeper and more direct engagement via consumer research and focus groups.

REDUCING OUR ENVIRONMENTAL FOOTPRINT

INTRODUCTION

GRI 305-1

Richemont has been recognised for leadership in corporate sustainability by the Carbon Disclosure Project, securing a place on its prestigious A List for tackling climate change. We are one of the top 200 high-performing organisations out of the almost 12 000 companies rated. We have been acknowledged for our work to cut emissions, mitigate climate risks and develop the low-carbon economy.

Richemont's carbon reduction plans for 2025 and 2030 were validated by the SBT initiative in July 2021. Developed in line with the objectives of the Paris Agreement, SBTs provide us with a clearly defined pathway to reduce gas emissions and help us prevent the worst impacts of climate change, while future-proofing our business for greener growth.

WITHIN OUR TRANSFORMATIONAL CSR STRATEGY, OUR ENVIRONMENTAL FOCUS AREAS ARE STILL TO:

- Minimise our greenhouse gas, water and waste footprints
- Ensure a high level of environmental stewardship across all activities
- Embed circularity in our products and business models.

In the year under review, overall our emissions have increased compared to the previous year because of business recovery after COVID-19.

TARGETS AND 2021 PERFORMANCE

	BASELINE CY 2019	STATUS CY 2021
2025 Target Increase annual sourcing of renewable electricity to 100%.	64%	92%
2025 Target 20% of Richemont suppliers by emissions covering purchased goods and services and upstream transportation and distribution will have SBTs.	8%	12%
2030 Target Reduce absolute Scope 1 and 2 GHG emissions by 46%.	60 $ktCO_2e$	20 $ktCO_2e$
2030 Target Reduce Scope 3 GHG emissions from purchased goods and services and business travel by 55% per dollar value added. **Restated figure*	127* $tCO_2e/M\$$	118 $tCO_2e/M\$$

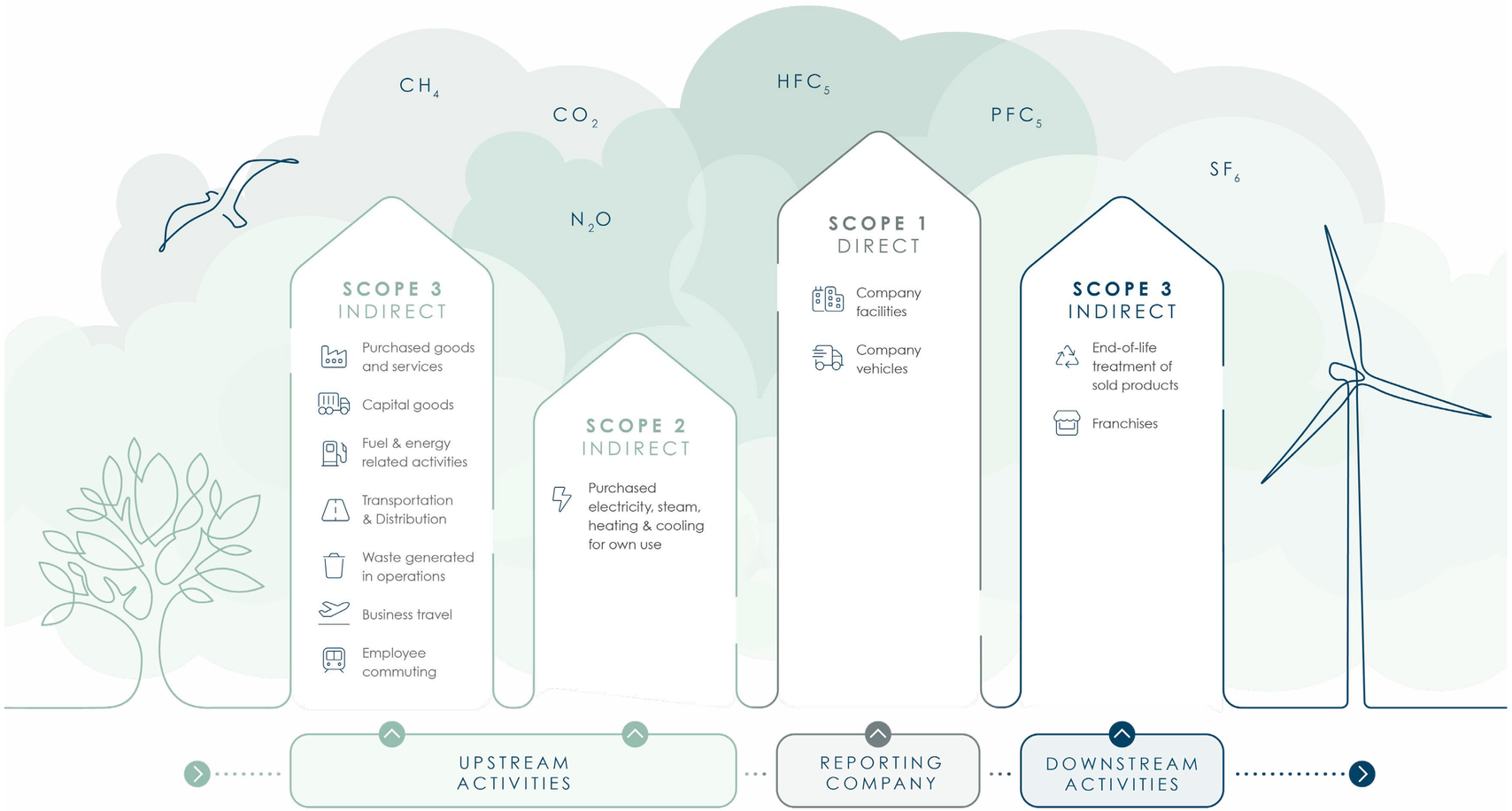
ACTING ON CLIMATE CHANGE

GRI 305-1

Managing the issues arising from climate change helps us to reduce our environmental impact and find solutions for the greatest challenge facing the planet.

Richemont began an SBT-setting project in November 2019. The project sought first to identify the Scope 3 greenhouse gas (GHG) emission categories, which are relevant to the Group but were partially captured in previous reporting cycles. The project concluded in early 2021 with the audit of our SBT 2019 baseline year and proposed SBTs for 2030. In July 2021, the external Scientific Committee validated our SBT targets.

We calculate our carbon footprint based on the internationally recognised GHG Protocol of the World Business Council for Sustainable Development.[1]



▲ *Overview of GHG Protocol scopes and categories relevant to Group Richemont value chain*

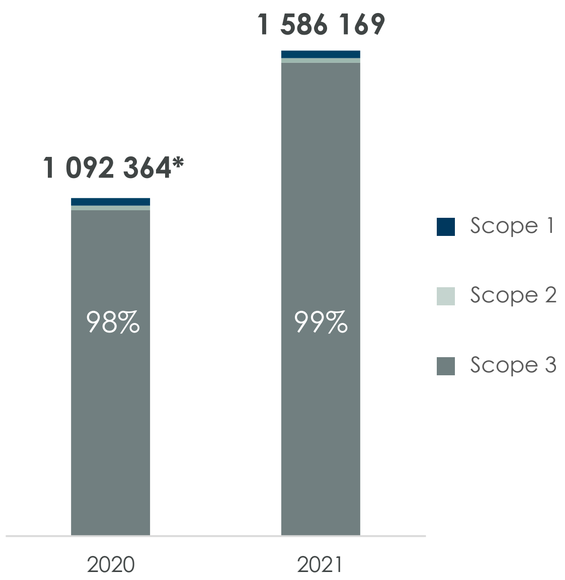
Our overall carbon footprint for the year (January to December 2021) was 1 586 169 tCO_2e, an increase of 45% compared to calendar year 2020.

Each year, environmental data is consolidated and audited. The results are published in this report and communicated to our people.

The data covers our subsidiary companies where the Group has financial control, defined as a shareholding of at least 50%. Data has been collected as an integral part of our approach to business reporting.

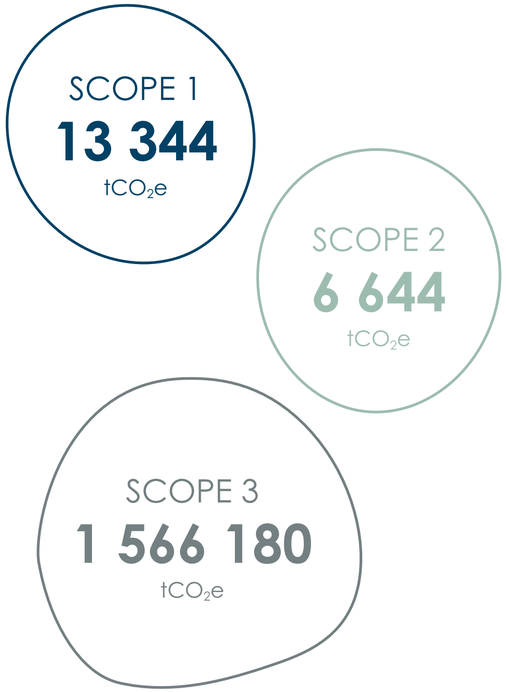
The Delvaux acquisition took place in June 2021. We therefore only consider data from the last six months of the year and use energy estimations (per m^2) to evaluate the impact of these locations. The scope of our measurement roughly covers operations representing more than 90% of full-time equivalent employees, and includes retail outlets, offices, research and manufacturing sites, and distribution centres.

▼ *Richemont overall tCO_2e emissions*



**Restated figure*

▼ *2021 tCO_2e emissions by Scope*



Chloé

Vision for 2025

Reduce our overall impact

Reach -25% on our carbon emissions per M€ sales

Achieve -25% of global water usage and 100% offsetting

Chloé's KPIs for the planet

OBJECTIVES FOR 2021:

- **KPI 1: 15% reduction in global (Scope 1, 2 and 3) GHG emissions by product compared to 2019, and a 4.2% absolute reduction in Scope 1 and 2 emissions**
  For the first time, in July 2021, Chloé published their Environmental Report online. It included details of Chloé's target to reduce 15% GHG emissions per product by 2022. Progress will be outlined in this year's Environmental Report, a collaboration with Carbone 4, due for publication in June.
- **KPI 2: offsetting 36% of Chloé's global emissions, in line with the objective of 100% by 2025**
  At the moment, Chloé offset 100% of their direct GHG emissions (Scope 1, 2 and 3 – business travel and distribution), including emissions from fashion shows. They also plan to offset 100% of the remaining emissions across their global supply chain (Scope 1, 2 and 3) by 2025. 36% of these were offset in 2021.
- **KPI 3: Zero destruction of raw materials**
  This objective was achieved: Chloé did not discard or destroy any raw materials and implemented a new process to improve the reuse of leftovers. In November 2021, Chloé became a member of the Ellen MacArthur Foundation and introduced a circular denim project in line with Foundation guidelines. They also joined The Fashion Pact in December 2020.

CONTROLLING GREENHOUSE GAS EMISSIONS

Scope 1 & 2 *GRI 302-1, 305-1, 305-2, 305-5*

'Richemont commits to reducing absolute Scope 1 and 2 GHG emissions 46% by 2030 from a 2019 base year. The targets covering greenhouse gas emissions from company operations (Scope 1 and 2) are consistent with reductions required to keep warming to 1.5°C.'

Scope 1 encompasses our facilities' direct energy/vehicle emissions. Direct fugitive emissions due to leaks of refrigerant from air conditioning installations were not taken into our Scope 1 emissions calculation.

In 2021, Scope 1 emissions increased by 18% compared to 2020, mostly due to business recovery after COVID-19 and the related expanded use of company vehicles.

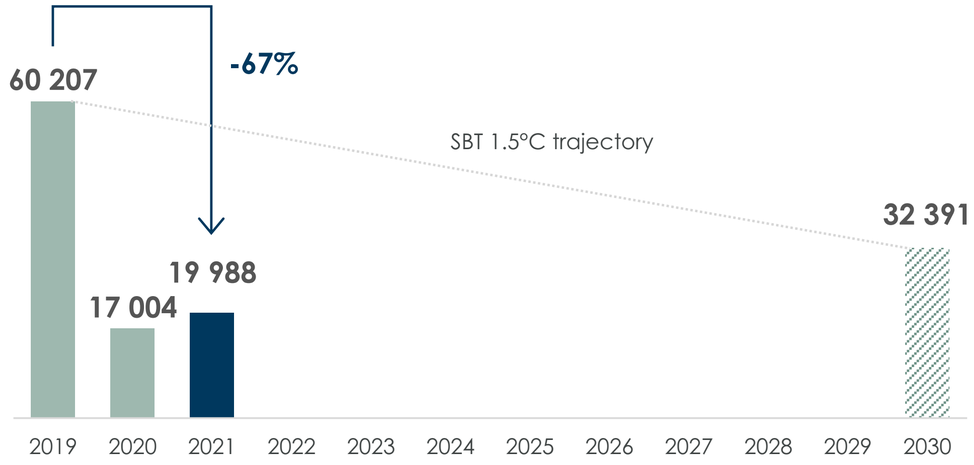
Our key energy usage relates to the fuels, LPG, electricity and heat the Group consumes for the buildings it operates. Electricity continues to be the most significant energy source. Our energy use in 2021 increased by 8%.

PANERAI

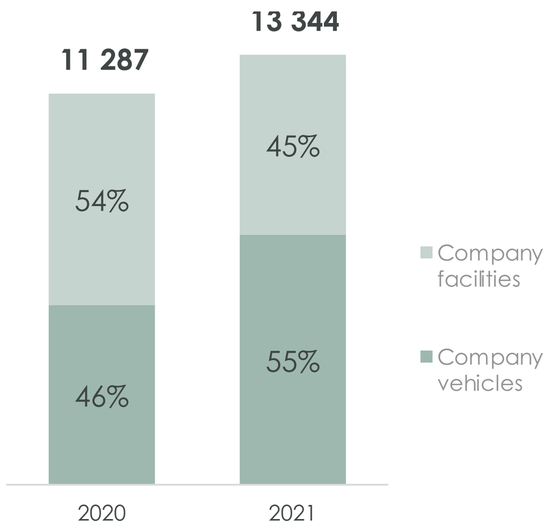
Recycling energy produced by air compression machines provides energy to heat our water.

Solar panels contribute 15% to our heating system output.

36 geothermal sensors and a heat pump have been installed to keep the internal temperature balanced without using electricity. This stops us from burning 65 000 litres of fuel a year.



▲ *Scope 1 & 2 absolute target [tCO_2e]*



▲ *Scope 1 tCO_2e emissions*

Scope 2 *GRI 302-1, 302-4, 305-2, 305-5*

'Richemont commits to increasing annual sourcing of renewable electricity from 64% in 2019 to 100% by 2025. The renewable energy procurement target covering Scope 2 emissions is consistent with reductions required to keep warming to 1.5°C.'

Our Scope 2 carbon footprint increased by 16% during 2021. And the percentage of renewable electricity consumed accounts for 92%.

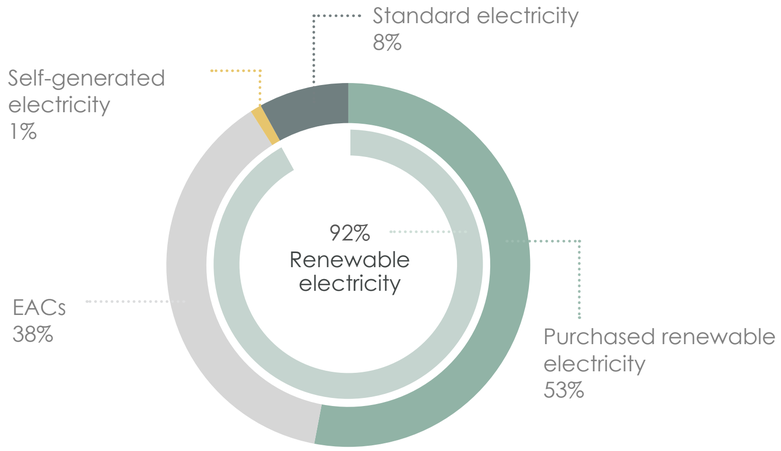
In absolute terms, the Group's renewable electricity and self-generated (on-site) electricity consumption increased to 207 GWh. We continue to prioritise renewable energy procurement in all our operations. In February 2021, we became a member of RE100, and previously committed to sourcing 100% renewable electricity no later than 2025.

This increase, from a base of just 23% in 2012, reflects two initiatives:

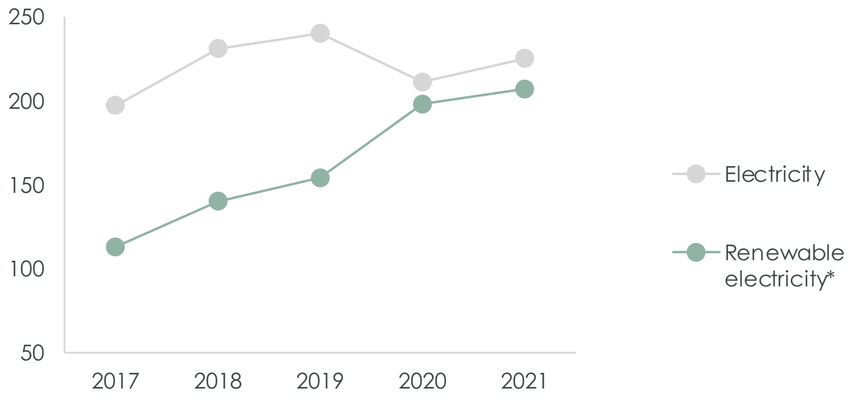
- Local actions to invest in self-generated (on-site) energy or to switch to renewable energy options provided by local utilities
- A global project to fill the gaps where local utilities cannot provide that option through the purchase of Energy Attributes Certificates (EACs), which include Renewable Energy Certificates (RECs)

We recognise that buying renewable energy and offsetting are partial solutions to mitigate climate change. The better solution is to reduce our buildings' energy consumption in absolute terms, where our Maisons have taken measures to limit their consumption.

▼ *Types of electricity consumed in 2021*



▼ *Yearly electricity consumption in GWh, including its proportion of renewable electricity*



**Purchased renewable electricity, EACs, and self-generated electricity*

In Richemont Europe we made progress on our shift to 100% certified renewable energy.

Of our 432 sites across our Region, 280 have already made the transition to use green electricity and we continue to make headway on this important target.

For example, in Turkey, despite local challenges that make it difficult to switch to renewable energy, we purchased RECs and became the first luxury business to do so in the country.

Scope 3 intensity *GRI 305-3, 305-5*

'Richemont commits to reducing Scope 3 GHG emissions from "purchased goods and services and business travel" by 55% per dollar EVA by 2030 from a 2019 base year.'[2]

PURCHASED GOODS AND SERVICES

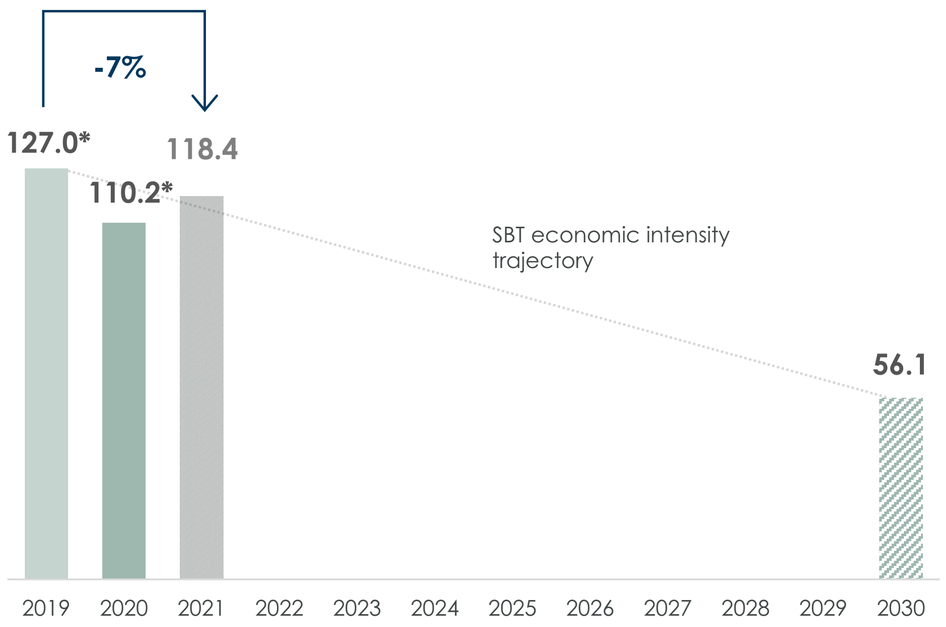
Purchased goods and services represent the largest category of our footprint. Emissions increased by 64% during 2021, mainly due to greater volumes of raw materials purchased to meet increased demand for our creations. We have increased the level of detail we look at in our data. Indeed, we have more insight into origins and attributes for Fashion and Accessories (F&A) raw materials purchased.

This category comprises the raw materials used in our products, like leather, coloured gemstones and gold. Until relevant emission factors are available, little-used raw materials are excluded from our carbon footprint.

In our calculations of this category, we included emissions linked to:

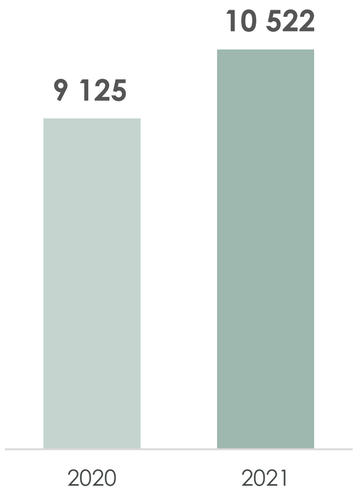
- Branded packaging
- Point of sales materials
- Logistics-related consumables
- Printed materials
- Office supplies
- Meals consumed in company restaurants.

▼ *Scope 3 economic intensity target [$tCO_2e/M\$$]*



**Restated figure*

▼ *Business travel tCO_2e emissions*



We also considered services whose emissions have increased by 59%, due to higher spending.

Our Maisons' branded finished products are included in this category, considering raw materials and related manufacturing processes. As YOOX NET-A-PORTER is mainly purchasing third-party branded products, to calculate emissions we considered the finished goods by type.

BUSINESS TRAVEL

The gradual end of travel bans in Europe contributed to an increase of 15% in business travel emissions. Hotel stay emissions are considered from 2020 onwards and were not in our 2019 baseline footprint.

Scope 3 supplier engagement

'Richemont also commits that 20% of its suppliers by emissions covering purchased goods and services and upstream transportation and distribution will have science-based targets by 2025.'

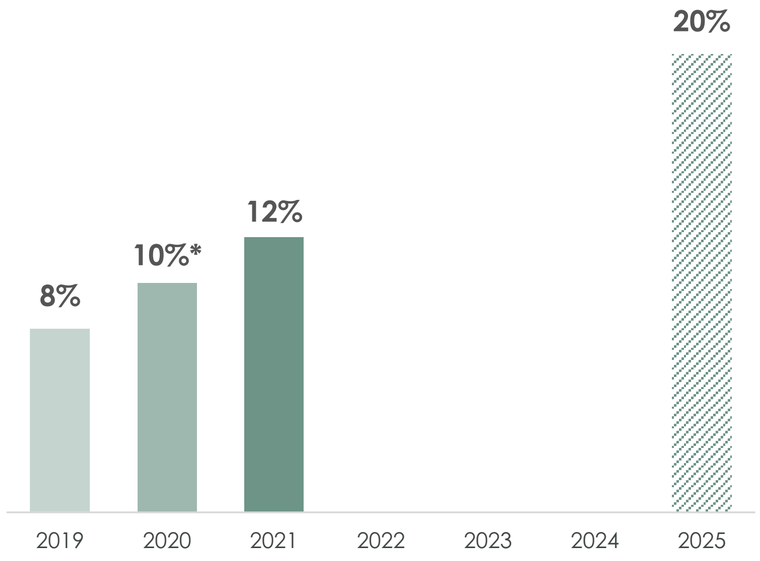
UPSTREAM – TRANSPORTATION AND DISTRIBUTION

Our logistics business models fall broadly into Business to Business (B2B) and Business to Consumer (B2C).

To manage the growth in carbon emissions stemming from logistics, whether internally managed freight or via business partners, our logistic function aims to strike a balance between speed of delivery, total cost, security and environmental impact, and to consider alternative solutions. In general, small precious goods such as watches and jewellery are shipped by air. The absolute size and weight of all packaging is reviewed periodically.

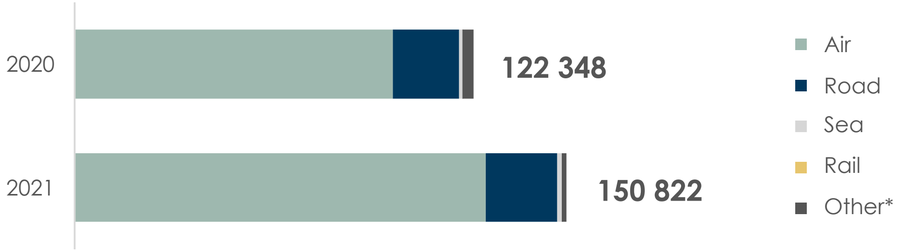
The transportation and distribution emissions have increased by 23%, due to air transportation. Nevertheless, we have started to foster more and more the use of low-emission modes of transport, such as rail and sea.

▼ *Percentage of Scope 3 emissions related to purchased goods & services and transportation & distribution suppliers that have set Science Based Targets*



**Restated figure*

▼ *Transportation and distribution tCO_2e emissions by transport mode*



**Building occupancy and internal activities of logistic service providers*

PARTNERING FOR IMPACT

To globally engage our main suppliers in our emission reduction journey, and streamline the consolidation of supplier-specific emissions, we have partnered with CDP, the leading not-for-profit environmental disclosure technology platform. This standardised process will allow suppliers to submit one response for all Maisons, and for all their other clients.

In 2021, we conducted a pilot with the CDP Supply Chain. We invited around 130 suppliers to report their GHG emissions and action plans via the CDP platform. Seventy-three responded.

This initiative is part of our SBT action plan, which recognises we need support from suppliers to achieve our SBT commitments and reduce our Scope 3 emissions. We also need to encourage suppliers to commit to their own SBTs.

While some suppliers are already engaged in this disclosure and improvement journey, several responded for the first time with various levels of detail, and others were not able to.

For the coming year, we will extend this pilot to more suppliers and internal entities, increasing our engagement and improving the measurement of our Scope 3 GHG emissions.

Scope 3 *GRI 305-3*

During 2021, Scope 3 CO_2e emissions increased by 19% against the 2019 baseline.

A detailed explanation of each remaining Scope 3 category follows. Note that certain Scope 3 categories are not applicable to our footprint, based on the SBT methodology. Excluded categories are also listed in the appendix.

CAPITAL GOODS

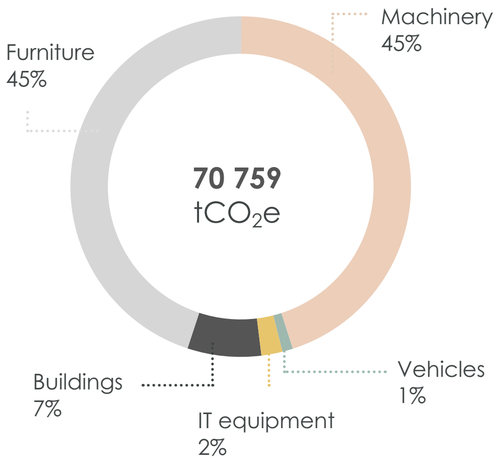
Capital goods figures represent 5% of all Scope 3 emissions. They decreased by 42% compared to last year, mainly due to fewer acquired or newly rented buildings and boutiques.

A spend-based method has been used to calculate the emissions linked to furniture and machinery. Building and facilities, vehicles and IT equipment have been calculated based (respectively) on the surface, weight and quantity purchased during the reporting year. From 2021 onwards, we are reporting the accurate number of purchased vehicles and we therefore no longer use estimates.

FUEL AND ENERGY RELATED ACTIVITIES

This category encompasses the emissions related to the extraction, refining and transportation of fuel and energy purchased and consumed by Richemont during the calendar year 2021. Emissions linked to company plane fuel have been included from 2021 onwards.

▼ *Capital goods tCO_2e emissions by sub-category in 2021*

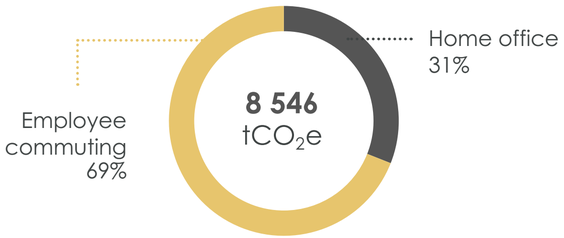


EMPLOYEE COMMUTING

For the first time in 2020, we developed a survey, available in six languages, to understand our Group-wide, pre-pandemic commuting habits. The information gathered forms the basis of our 2019 baseline.

Last year, we conducted a second survey to assess our new remote working habits. We calculated the latest CO_2e emissions and adapted the results of the previous year's survey to reflect new commuting habits. Both represent 8 546 tCO_2e emissions, i.e. an increase of 1% compared to the previous year.

▼ *Employee commuting (including home office) tCO_2e emissions in 2021*



WATCHFINDER&Co.
THE PRE-OWNED WATCH SPECIALIST

We have taken steps to limit carbon emissions by reducing our vehicle fleet by two thirds and we have promoted public transport usage and car sharing at all sites.

WASTE GENERATED IN OPERATIONS *GRI 306-3, 306-4*

We are monitoring our waste in more detail and looking at its end-of-life treatment.

The majority of boutiques and some offices have contracts with landlords, which makes it challenging to collect accurate waste data. We have therefore extrapolated missing data for paper, cardboard and domestic waste based on building surface area and type.

There was an increase of 48% in emissions, largely due to data quality improvement, which also resulted in more precise extrapolation.

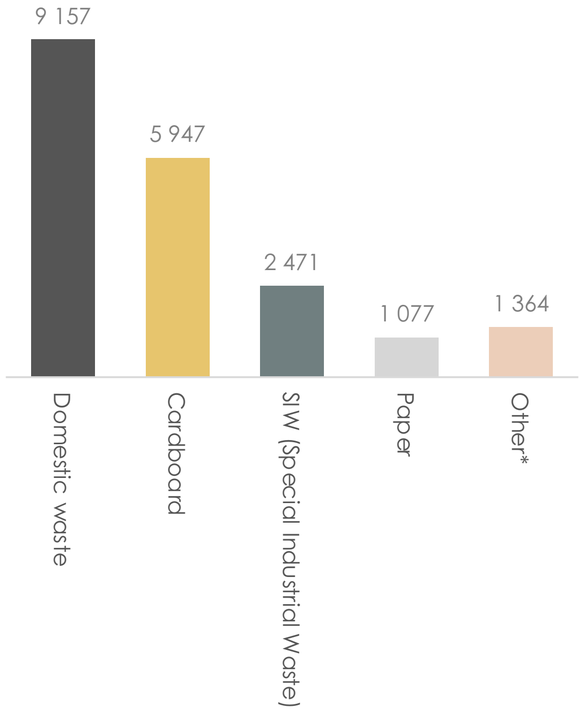
END-OF-LIFE

In this category, we considered the impact linked to the end-of-life of sold goods, except diamonds and coloured gemstones.

FRANCHISES

This category encompasses the Scope 1 and 2 emissions of our external boutiques. Their energy is estimated based on our internal boutiques' consumption. Calorific Network and refrigerant leaks are not included.

▼ *2021 waste quantity (tonnes) by waste type*



**Wood, metal, plastic, food waste, green waste, electric and electronic waste, glass, construction waste, PET, clothing, batteries.*

At Richemont Europe

We continue to improve our data collection to make more informed decisions to reduce our impact, for example with a waste audit conducted across UK sites and a finance working group focused on simplifying reporting.

Compensation

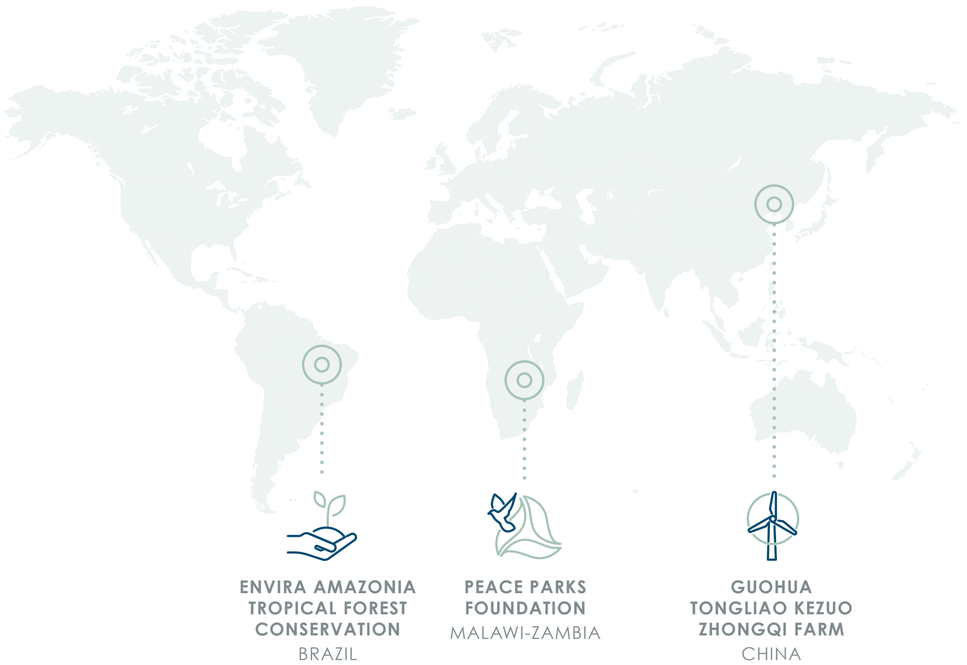
We aim to reduce our Scope 1, 2 and 3 emissions as much as possible and neutralise the rest by participating in certified offsetting projects. Since 2009, we have purchased carbon offsets to neutralise our measured footprint for buildings, business travel and, more recently, logistics.

The cost of carbon offsets varies depending on the volume of carbon credits and the average price per offset. The cost of offsetting our prior year footprint (Scope 1 and 2 and selected Scope 3 only) was roughly €1.8 million. To raise awareness, the centrally purchased carbon offsets are re-invoiced to Richemont's individual Maisons, based on their own emissions. This approach allows a real financial cost to be placed on carbon, which helps to drive performance improvement and motivate our people.

Richemont has offset part of its CO_2e emissions (Scope 1, 2 and 3 – business travel and distribution) through three projects:

- Forest preservation in support of transfrontier conservation areas, facilitated by the Peace Parks Foundation. Specifically, the Lower Zambezi REDD+ Project and the Luangwa Community Forests Project. This tranche of carbon credits represents part of a seven-year agreement with BioCarbon Partners, a leading African developer. By buying directly from the developer, the communities protecting these forests and the Peace Parks Foundation will achieve greater long-term financial security to support sustainable conservation efforts at scale.
- Increasing energy security and improving air quality for local communities in China.
- Preventing logging and cutting emissions to help protect the Brazilian rainforest.

Cartier, IWC, Jaeger-LeCoultre and Panerai have compensated all their calculated Scope 1, 2 and 3 CY20 emissions, and selected specific projects for emissions not covered by those stated above.



Cartier

Every year, we neutralise our residual carbon emissions by offsetting 100% of our measured emissions from all Scopes. In 2021, Cartier decided to reinforce their offsetting strategy by increasing carbon removal projects. We financed eight high-impact offsetting projects (for a total investment of 3.9 million to offset CY20 emissions), with a large majority of carbon removal projects. Amongst them, we support different types of sequestration methods: blue carbon (mangroves in Pakistan and Mexico), afforestation (in Kenya, Uganda and China) and reforestation (in Columbia). We also support carbon avoidance projects for their contribution to biodiversity and their positive social impact.

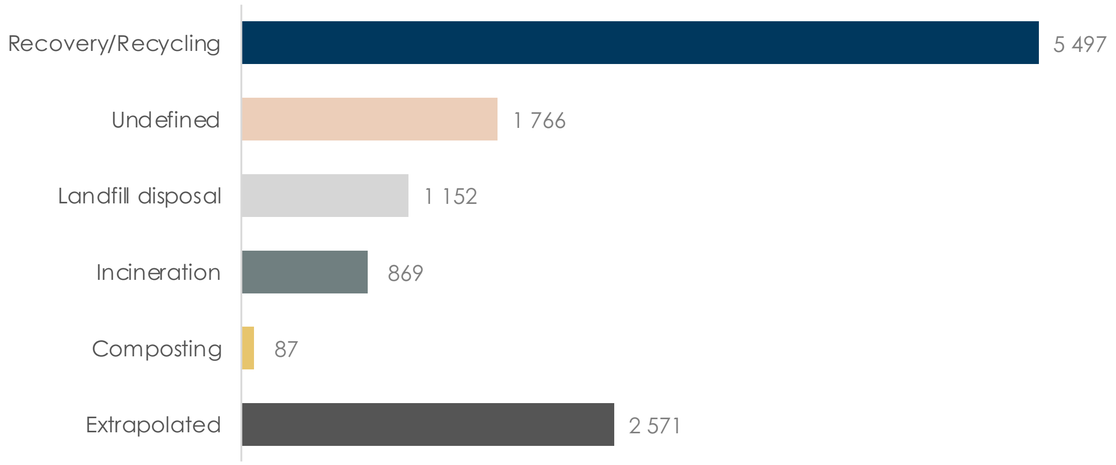
MINIMISING WASTE

GRI 306-1, 306-2, 306-3, 306-5

A system of waste classification was developed in 2020, to collect waste data by type and end-of-life for manufacturing sites and warehouses, and for offices and boutiques. The system was designed to develop and effectively monitor future waste management targets. 88% of relevant industrial sites have reported waste using the system.

Our goal is to be zero waste to landfill from any major manufacturing or warehousing site. Our commitments to monitoring the consumption of resources and to reducing waste are set out in our Environmental Code of Conduct. Hazardous and toxic materials are treated in accordance with local and international regulations.

▼ *Manufacture & warehouse waste quantity (tonnes) by disposal method in 2021*



JAEGER-LECOULTRE

For 10 years now, we have been extending the life of non-chemical waste by sorting it at 100% and recycling where possible.

In this way, we turn restaurant food waste into biogas, thanks to a methanisation process, and our household waste and wood are used to heat an entire district of Lausanne.

Plastic Shift Initiative

Launched in 2019, the goal of our Plastic Shift Initiative is to phase out single-use plastics in our branded packaging, logistics and catering, and investigate and implement the use of suitable alternatives.

Watchfinder & Co. followed the initiative and since then:

- Their bags are now made from 100% recycled material, are FSC-certified and 100% recyclable.
- New watch boxes are made from 100% recycled material which is also 100% recyclable.
- They are working to replace the polystyrene in warranty boxes and service department storage bags with a paper-based equivalent.

BRANDED PACKAGING

Many of our Maisons' presentation boxes are partly made of plastic. Sometimes they are kept and passed down with the piece they were made for, extending their longevity, but this does not always happen. That is why we want to reduce the amount of plastic in our packaging and offer more choice to our customers:

The packing for Baume & Mercier's latest collection was developed to minimise resources needed. Recycled materials are the main components for boxes.

Launched in November 2021, dunhill's new retail paper packaging is defined by a sleek, understated aesthetic. Ultra Black packaging is made from a minimum of 40% PCW, is 100% recyclable and uses renewable, FSC-certified fibres. Removing plastic lamination, the packaging is finished with a compostable varnish to ensure performance, durability and reuse.

To reduce emissions, Montblanc redesigned their gift packaging (shopping bags, gift boxes, ribbon, etc.) in line with a plastic-free concept, limited overall volume and decentralised production. Rollout began in March 2022 with a target of full implementation by December.

LOGISTICS

Through this internal initiative, all our distribution centres worked on common actions to improve sustainability across the Regions. For example, regrouping bags and envelopes are now 100% paper. We also implemented the use of paper-based tape in our operations.

To minimise the use of paper for printing, the centres set their printers to print double-sided, and implemented an annual analysis of transport documentation to ensure printing is efficient. These actions contributed to less paper being used.

CATERING

The Group's Plastic Shift Initiative led to the internal publication of a handbook for Richemont's Facility Managers. It provides guidance for staff restaurants, offices and external events, and for recycling systems.

Phasing out PVC

Richemont has decided to stop the use of PVC in all products and packaging by the end of December 2022. This initiative aims to reduce the negative impacts on human and natural ecosystems linked to PVC, and to engage the luxury industry in more responsible management of synthetic polymers.

Paper and packaging

For paper and packaging, we have chosen, where possible, to use 100% responsibly sourced wood-based materials. Recognised certification schemes include the FSC standards for recycled content.

The quantity and weight of commercial printed materials, including catalogues, brochures and 'house magazines', is also under constant review. With more and more information available online, fewer customers want, need or expect printed matter in our boutiques. We are also reducing the amount of printing we do in our offices.

We are guided by principles of sustainability and long-term impact. Sustainability and concern for the environment are not only matters of importance to our clients and colleagues, but are also embedded in Richemont's own heritage, notably through our long-term relationship with the World Wide Fund for Nature and Peace Parks. I am therefore truly pleased that the Science Based Targets initiative validated our Science Based Targets to reduce greenhouse gas emissions in line with the 2015 Paris Agreement and also that we are committed to eliminating the use of polyvinyl chloride (PVC) from all our products and packaging by December 2022. We will continue to allocate more resources to sustainability to meet our climate and other sustainability targets, with a particular focus on biodiversity, the environment, education and the preservation of the métiers d'art.

JOHANN RUPERT
Chairman

Circular economy *GRI 306-2*

WATCHFINDER&Co.

Watchfinder & Co.'s expertise in pre-owned luxury watches provides a professional, authentic and transparent platform for keeping such beautiful products in circulation. In 2021, Watchfinder & Co. received recognition at the WatchPro Awards by winning the award for best pre-owned retailer of the year.

The circular economy is at the core of Watchfinder & Co.'s business model, creating a market for reliable and sustainable consumption. Reducing the footprint one step at a time, and closely partnering with Richemont, also enables the trade-in of pre-owned watches for new ones. The sustainability boom opens the doors for Watchfinder & Co., and the introduction of a product quality score methodology also supports the depth of understanding to fuel the growth of buying and selling pre-owned watches.

Watchfinder & Co.'s part-exchange service is now being offered in over 80 boutiques across 7 countries (UK, Switzerland, USA, Hong Kong SAR, China, France, Italy and Germany).

BAUME & MERCIER

As a proud partner of Waste Free Oceans, Baume & Mercier helped preserve marine environments through WFO circular economy principles, and by upcycling marine litter for use in their limited edition BAUME OCEAN.

YOOX NET-A-PORTER GROUP

In 2021, YOOX NET-A-PORTER created and published the Infinity Product Guide, a tool comprising 10 key principles developed for buying and for private label teams, to support embedding sustainability and circularity into their thinking.

Each principle plays an integral part in taking greater environmental and social responsibility for the products it creates and offers. The Guide incorporates industry best practice and internationally recognised environmental and social standards, and offers detailed prompts for embedding the principles into design and buying processes.

YOOX NET-A-PORTER's four private labels defined their roadmaps to reach our 2025 targets. They have already made progress on aligning with Infinity Product Guide principles for their 2021 collections.

THE OUTNET

As part of its mission to become a responsible brand of the future, THE OUTNET relaunched their private label Iris & Ink. Within its Autumn/Winter 2021 collection, almost 70% of styles were created using more considered materials and processes in line with the Infinity Product Guide materials principles. Iris & Ink are well set to reach 100% alignment with the Guide by 2025.

We see re-commerce as a true enabler to tap into greater product longevity by extending the lives of pre-loved purchases. This collaboration with Reflaunt represents an exciting step in our long-term mission to drive the change at YOOX NET-A-PORTER to a more circular fashion ecosystem.

ALISON LOEHNIS
President, Luxury & Fashion
NET-A-PORTER, MR PORTER and THE OUTNET

YOOX NET-A-PORTER'S RESALE SERVICES

The development of luxury circular services is a critical part of YOOX NET-A-PORTER's Infinity vision. 2021 saw the Maison bring to customers, with the launch of two new partnerships, their most extensive re-commerce pilots to date:

- REFLAUNT
  YOOX NET-A-PORTER partnered with leading resale technology provider Reflaunt to design resale services for NET-A-PORTER, MR PORTER and THE OUTNET customers throughout 2021 and into 2022. In autumn 2021, the first of these services was launched for UK and US NET-A-PORTER customers, giving them the opportunity to resell and extend the lives of their pre-loved luxury products across a wide range of categories including jewellery, ready-to-wear, bags and shoes.

- WATCHFINDER & CO.
  NET-A-PORTER and MR PORTER announced an exclusive partnership with pre-owned watch specialist Watchfinder & Co. for their expansion into pre-owned luxury watches. MR PORTER also offered their US and UK customers a part-exchange service through which timepieces can be swapped for store credit.

Bloomify: an internal circular economy platform

Bloomify was initially developed during the Visionnaire Sprint 2020, an innovation challenge open to colleagues worldwide. Bloomify is an internal platform aimed at reducing waste and increasing circularity for boutiques and office fixtures and fittings, as well as spare promotional materials.

After a successful pilot in 2021, a large-scale e-commerce platform was developed, allowing Maison and Group employees to browse and acquire items that would otherwise be thrown away.

Maisons will use Bloomify to give a second life to materials used for Watches & Wonders 2022.

PROTECTING WATER

GRI 303-1, 303-1-b, 303-1-C, 303-3

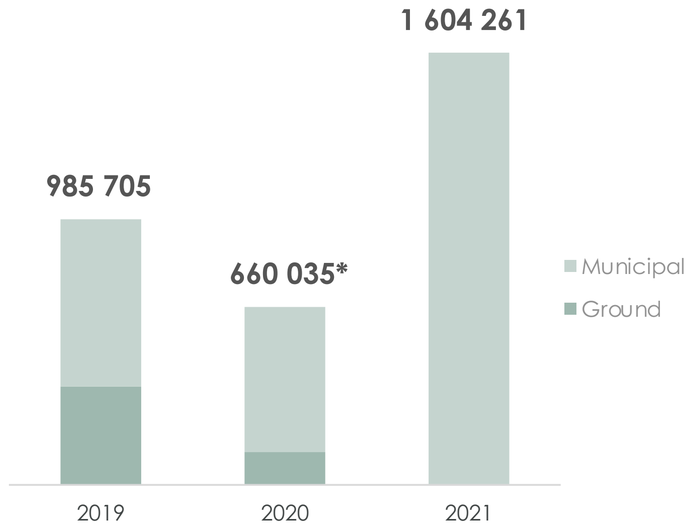
Our approach to water use is disclosed in our response to CDP Water. In the first year, our focus was on our largest facilities, recognising that the vast majority of sites are small boutiques with washrooms for employees and customers. The largest facilities are concentrated in Western Europe, with distribution centres and after-sales service centres in other Regions of the world.

We have encouraged all sites to report their water usage and provide us with a more comprehensive picture than the industrial sites as originally planned. 87% of relevant industrial sites have now reported their water usage.

For the first time this year, we are disclosing our water CO_2e impact, linked to water supply and treatment. Its related carbon footprint represents 675 tCO_2e.

We conducted a study that confirmed water consumption in our own operations has a low direct environmental impact. Higher environmental impact lies in our upstream supply chain, where raw material extraction occurs.

▼ *2021 m³ of water withdrawal by source*



**Restated figure*

We also confirmed that, through the LWG certification mechanism, we have a good overview of our leather suppliers' tanneries and their water usage. For the other supply chains related to our own raw materials, we are assessing tools to make basin-level risk assessments within the next three years.

To cope with increasing demand, Jaeger-LeCoultre established one of the first water recycling plants. Designed to cope with extreme weather conditions, the plant provides clear water within local geophysical and topographical constraints, resulting in manufacturing processes of minimal environmental impact.

87% of relevant industrial sites have now reported their water usage.

DRIVING CLIMATE-POSITIVE DECISIONS

Environmental management systems

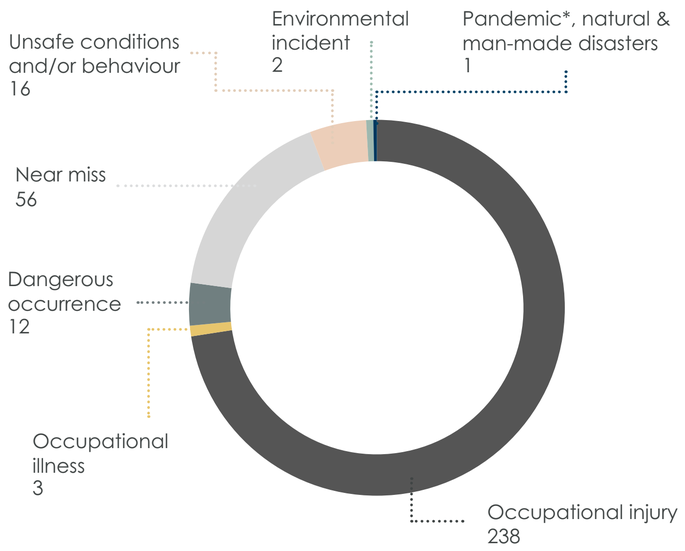
Our Environmental Code of Conduct (also known as 'the Code') is built on national and international norms and standards for environmental management. As well as universal environmental issues like climate and the use of energy, water and other natural resources, the Code addresses the negative impacts of key raw materials including precious metals, gemstones and leather. It also sets a minimum operating standard for all the Group's businesses. Richemont's Internal Audit function includes environmental considerations within its systematic risk analysis and monitors compliance with the Code.

In 2014, with a view to improving the overall management of risks, Richemont established a Health, Safety and Environment (HSE) audit programme for significant manufacturing, operational and administrative sites. Twenty site audits are conducted each year by a specialised independent external auditor. The results are then used to drive continuous improvement plans over and above compliance with local laws and regulations.

In 2021, an Energy Management checklist was integrated into the audit criteria and we organised three HSE assessments with the environmental part included. This low number is due to the pandemic.

2021 was set as the year to establish the new assessment questionnaire, based on our minimum HSE standards. The extended HSE audit referential was deployed in April 2022. This new questionnaire has now been used as a pilot, with a certain number of assessments planned for the new fiscal year.

▼ *Incident reports in 2021*



Our new incident reporting tool, ONE INCIDENT, enables better visibility of trends and incident categories, which allows us to target risk control measures. As the chart on the left indicates, in the calendar year 2021, we recorded two environmental incidents, which were uncontrolled spillages of mineral oil (contained before reaching the environment).

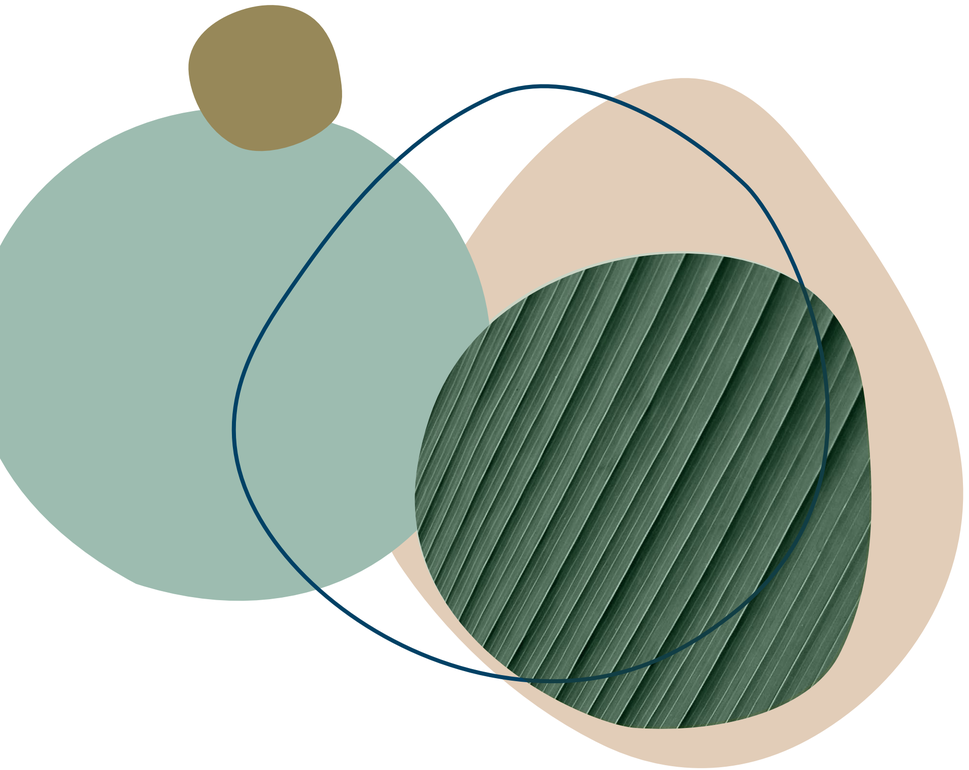
ENVIRONMENTAL LEGAL COMPLIANCE (ENHESA) TOOL

We continue to utilise a global HSE (health, safety and environment) legal compliance self-assessment tool. This third-party tool gives HSE Representatives access to relevant and new legislation according to country/region/state, and so on. Scorecards are completed to understand where gaps are present. Each entity is responsible for addressing any gaps, but Group HSE has oversight on all entities' compliance performance. Since the tool's implementation, 436 legal self-assessments have been conducted by Richemont entities.

See the HSE section of the People vision chapter for futher details.

Product stewardship

Richemont's eco-design approach is to invent new visions of beauty in luxury, in better harmony with the living ecosystems we collectively inhabit. It is a deep and long-term transformation of the way we create, the material we use, the relationships we build with our clients and partners, and the way we operate our business.



PANERAI

Panerai are at the forefront of forging ingenious materials and processes, pushing one step further the boundaries of recyclability. eSteel™ is a next-generation metal obtained from pre-consumer recycled steel scraps (up to 95%) from different industries, preferably from the Swiss watchmaking industry. Its production significantly reduces CO_2 emissions. More environmentally conscious measures lie ahead: by 2025, 30% of the collection will be designed and produced using recycled materials.

PETER MILLAR

At Peter Millar, the Spring/Summer 2022 season brings the introduction of more recycled fibres into their first-layer knitwear along with second-layer pieces, outerwear and socks. Peter Millar also introduced a two pack of performance socks for this past autumn season that are produced locally and use the equivalent of three post-consumer polyethylene terephthalate (PET) bottles per pack.

IWC SCHAFFHAUSEN

IWC commit to environmental management through product development and innovations. In this context, the Maison launched its TimberTex™ watch straps in 2021: a sustainable alternative to leather. These straps are made from low-impact paper-based and European FSC-certified material by a supplier that also runs their premises on renewable energy.

JAEGER-LECOULTRE

Over the last five years, Jaeger-LeCoultre have used greener treatment products in the manufacturing of their timepieces by eliminating detrimental substances like chlorinated/ozone-depleting solvents.

saltyco® & 8 by YOOX

saltyco® (winner of the 2020 Vogue YOOX Challenge for start-ups and designers prioritising sustainable innovation) joined forces with YOOX's private label to bring the world of material innovation to 8 by YOOX.

The saltyco® padding for this capsule collection is created with BioPuff® natural plant fibres. Grown in wetlands through regenerative agriculture and by using alternative water sources, BioPuff® avoids the need for fresh water irrigation and reduces consumption in the textile sector.

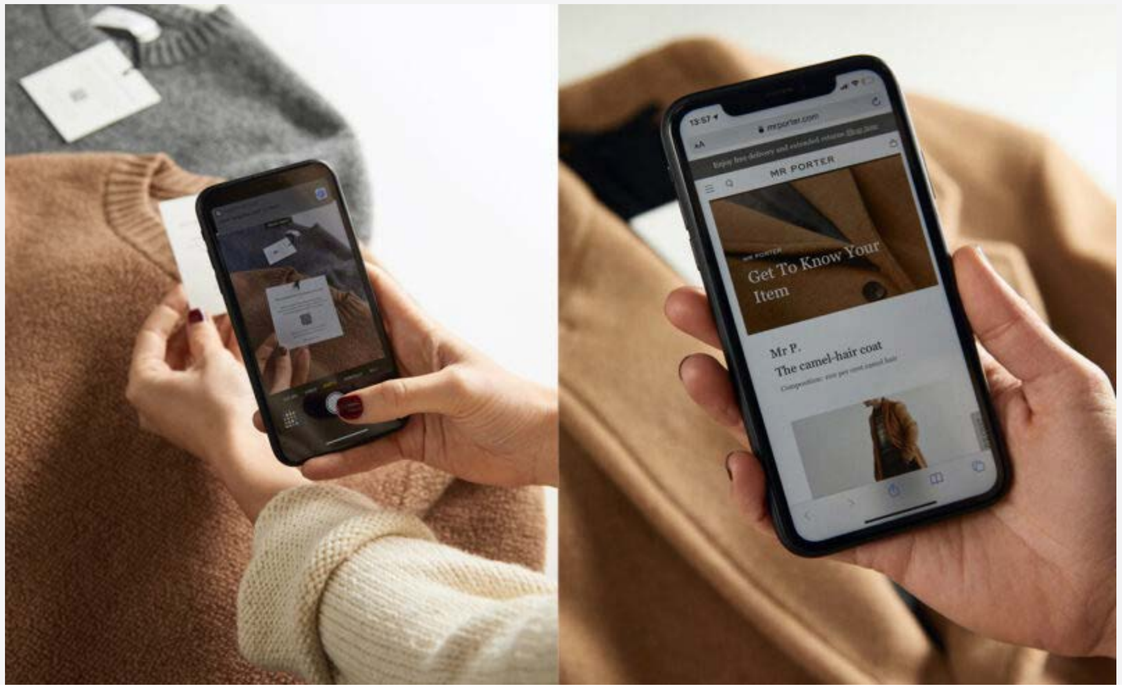
The collection is a step towards 8 by YOOX's goal to be 'designed for circular' by 2025.

DIGITAL PASSPORTS AND IDS

In 2020, YOOX NET-A-PORTER became one of the first in luxury fashion to begin trialling digital IDs, in partnership with New York-based product cloud company, EON and their CircularID™ protocol technology.

2021 saw YOOX NET-A-PORTER expanding their Digital ID programme, rolling out in over 1 300 designs within their four private labels at NET-A-PORTER, MR PORTER, YOOX and THE OUTNET.

Through QR codes and NFC, customers are granted interactive access to digital passports for their products, which include information on the design, provenance, care and repair recommendations, and services. By providing more information on how products have been designed and created, fashion lovers worldwide will be empowered to make more informed choices about their products.



IWC
SCHAFFHAUSEN

IWC MiraTex in partnership with Natural Fiber Welding

At Watches & Wonders 2022, IWC revealed the launch of a new collection of bracelets made of MIRUM®, a bio-based material, jointly developed with Group Research & Innovation and the US-based company Natural Fiber Welding (NFW). MiraTex is made of a mix of natural rubber (from FSC-certified sources), and fibres and oils derived from upcycled agri-food industry waste.

Founded in 2015, and based in Peoria, Illinois, NFW develops technologies based on the sustainable use of plants and natural fibres to create beautiful, durable soft goods and textiles.

IWC's MiraTex is a breakthrough in the field of alternatives to leather as it does not contain any synthetic or petroleum-based polymer or components. It also paves a future direction for higher circularity in the fields of watch bracelets and leather goods, and the compostability of these products.

Richemont's strategy towards eco-design relies on three main pillars:

1. LIFE CYCLE ASSESSMENT

Life Cycle Assessment (LCA) is the basis of all our actions and decision-making processes on sustainable innovation. By collecting primary data within our supply chains, collaborating with key international consortiums, or using databases relevant for our industry and processes, we contribute to improving the understanding of the impacts of our operations, as well as our actual influence on our ecosystems. Since 2021, Richemont has been a member of several consortium initiatives, including the International Reference Center for Life Cycle of Products, Processes and Services (CIRAIG). We also participate in, and actively contribute to, the development of the World Apparel & Footwear Life Cycle Assessment Database (WALDB). Through the CIRAIG, WALDB and other initiatives, data collected will contribute to improving the accuracy of environmental impact assessments within the luxury industry as a whole.

LCA EXAMPLES

To support our watchmaking Maisons to better understand their environmental footprint, we have launched a primary data[3] collection related to sapphire glass, in collaboration with Maisons, suppliers and partners. Our data collection process plays a critical role in LCAs and allows the right definition of environmental action plans to be implemented in collaboration with key sapphire glass suppliers. Our objective is to define the relevant environmental impacts, including GHG emissions, related to the production and transformation of sapphire glass.

In September 2021, Chloé carried out LCAs on four of their products, including key volume drivers like Nama Sneakers and the Woody Tote Bag.

2. THE GROUP IS ACTIVE IN DEVELOPING PRECIOUS AND NON-PRECIOUS METALS FOR JEWELLERY, WATCHES, AND FASHION AND ACCESSORY CASES.

We also follow 15+ companies working on alternatives to leather, based on natural fibres or upcycled waste. Some of these partnerships resulted in launches made by our Maisons, such as collaborations between VEGEA and Serapian and the use of material made by Frumat for Cartier.

3. WE SUPPORT THE CHANGE MANAGEMENT PROCESS THAT WILL ANCHOR MORE RESPONSIBLE PRACTICES IN OUR MAISONS' PRODUCT STRATEGIES.

We develop eco-design tools and methodologies integrating the latest knowledge coming from the Group's assessment consortia/publicly available data. These tools are customised to match with our clients, strategy and internal best practices.

THE USE OF CHEMICALS

To ensure the compliance of their products towards all international chemical regulations, our Maisons are progressively taking a proactive approach to identifying and phasing out certain toxic chemicals, to ensure the security of our people, customers and the environment.

JAEGER-LECOULTRE

Over the last five years, Jaeger-LeCoultre have used greener treatment products in the manufacturing of its timepieces by eliminating detrimental substances like chlorinated/ozone-depleting solvents.

Real estate projects

We undertake activities in more than 1 600 buildings around the world, including almost 1 250 boutiques and a large number of offices, manufactures, customer service centres and logistic platforms. Our overall footprint covers around 1 500 000 sqm.

OUR CONCERN FOR MORE THAN 10 YEARS

Since 2009, our Real Estate department has issued a series of booklets on lower energy solutions for better workspaces. These booklets include the Green Handbook for Construction Projects, the Lighting Guide for LED Illumination in Workspaces and Display Cases, and the Energy Monitoring & CO_2 Reduction Guide.

We continue to carry out robust energy audits across our businesses and seek to respect the most demanding environmental standards when building new manufacturing facilities or refurbishing our Maisons' retail network of boutiques.

Following a revision of the Group's internal approval procedure of commitments, a new criterion was integrated which identifies and highlights projects that follow an environmental agenda, e.g. environmental certification or other sustainable development activities. Documentation and implementation plans are now being deployed and follow-up processes, including surveys regarding adoption rates and challenges, are planned for the year ahead.

HIGH-STANDARD BUILDINGS AND CERTIFICATIONS

The following buildings in Switzerland have been designed to the highest environmental standards. The respective energy used for heating or cooling purposes is indicated. Certain buildings still need a variable portion of fossil fuel, such as gas for heating, depending on the availability of renewable sources:

From a retail perspective, 55 boutiques are LEED-certified.

Fifty-five boutiques, including thirty-eight Cartier boutiques, have been certified using BREEAM or LEED. And, as we have committed to 10% of all new buildings and refurbishments following suit by 2025, many more will be added.

Richemont Europe is also pursuing certifications like BREEAM on some of its key sites, like the final stage of our 17th-century building in Amsterdam, and working on other certifications (WELL, BREEAM, LEED) for our sites in France.

And Cartier committed to reducing its absolute Scope 1, 2 and 3 emissions by 47% by 2030, from a 2019 base year. This goal was reached for Scope 1 and 2 thanks to the sourcing of 100% renewable electricity and the certification of Cartier boutiques, manufacturing sites and headquarters with LEED, BREEAM or other environmental certifications.

Twenty-four of the worldwide Champagne concept boutiques are already LEED-certified, with 63% of gold and platinum certification levels, and a plan to achieve 100% certification by 2025.

MAISONS	BOUTIQUES
Cartier	38
Piaget	7
Van Cleef & Arpels	9
Panerai	1
TOTAL	55

GREEN BUILDING SCORE CARD

In 2021, Richemont's Building & Office Services (BOS) teams developed an environmental assessment tool. The Green Building Score Card covers a range of topics like urban integration, energy, waste, water and employee well-being. Its criteria were derived from HQE, LEED, BREEAM, Minergie-ECO, SméO and WELL.

The score card contains more than 50 self-evaluation points that simultaneously question, challenge and show the way towards a more sustainable operation of our buildings. Twenty-seven of our major sites have already conducted the exercise, with scores ranging from 50 to 150 out of 200. The wider use of the score card will engage and empower all BOS teams in charge of the operation and maintenance of our building portfolio and help them to achieve our transformational targets.

27 of our major sites have already conducted the exercise, with scores ranging from 50 to 150 out of 200.

BIODIVERSITY

GRI 304-1, 304-2, 304-3

Sustainability and concern for the environment are not only matters of importance to our clients and colleagues, but are also embedded in Richemont's own heritage.

Cartier for Nature

Through the independent fund Cartier for Nature, created in 2020, Cartier also financially contributed to the preservation of biodiversity and healthy ecosystems around the world. Current projects funded by Cartier for Nature include supporting Yanomami communities in Brazil to preserve the tropical forest, encouraging indigenous communities in Australia to develop a carbon offset marketplace, and promoting indigenous land rights to safeguard the ecosystem of cloud forests in the Peruvian Andes. In addition, Cartier joined the Science Based Targets for Nature in 2022.

Through our value chain, we aim to source raw materials like gold, gemstones, leather and wood sustainably and in a way that protects the environment.

That is why our Environmental Code of Conduct and Supplier Code of Conduct set out our policies for sourcing responsible gold and conflict-free diamonds and gemstones, manufacturing leather products and protecting endangered species. We fully comply with international and local regulations like the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), related to the procurement, import, usage and export of raw materials from protected species, and we expect the same from our suppliers. And, our Supplier Code of Conduct has now been revised to be more specific about biodiversity and certification schemes, and what we mean by terms like 'organic'.

Our carbon offsets are primarily purchased in support of two REDD+ schemes. See the compensation section in this chapter (targets and performance).

Some of our Maisons have factories located near rivers and lakes. We are committed to preserving the natural environments surrounding all our operations.

Our manufacturing facilities are based in Europe, with high environmental standards enforced through local and national legislation, with which our Maisons comply.

PURDEY

THE PURDEY AWARDS

The Purdey Awards for Game and Conservation have been running since 1999. We are delighted to be organising them again this year. The primary purpose of the Awards is to recognise those involved in the world of game and habitat conservation whose efforts have achieved outstanding results in improving bird habitats and biodiversity. Entries range from restoration projects like restored grouse moors to wild duck ponds attracting wildlife.

Van Cleef & Arpels

PRESERVING THE BEAUTY OF NATURE

Van Cleef & Arpels' actions to reduce the environmental impact of their activities echo their desire to transmit and protect the beauty of nature in motion.

In 2021, VCA and the MNHN's Museum for the Planet fund developed a partnership dedicated to the sustainability, promotion and development of actions protecting the natural environment.

In the same year in the USA, the Maison also partnered with the Huntington Library, Art Museum, and Botanical Gardens, a collections-based research and educational institution serving scholars and the public.

Leather

The growing importance of leather goods, for the Maisons and the luxury industry in general, has focused attention on responsible sourcing initiatives.

To manage the sourcing strategy, our Leather CSR Committee measures risks and defines/monitors the implementation of rules. It is composed of our Maisons and central functions and is aimed at informing and sharing best practices and results on internal projects.

To better manage risks, we have mapped the leather goods supply chain to understand its strengths and weaknesses and take action where risks have been identified. We are mapping bovine and alligator supply chains, to see what we can do to reduce their environmental footprint.

The majority of our manufacturing facilities and their Tier 1 and Tier 2 suppliers are based in Italy and will be audited on a yearly basis in CY 2022.

We have been a member of Leather Working Group (LWG) since 2021, so our tanneries and their networks are known. Around 71% of our leather comes from LWG-certified tanneries. We hope to increase that figure to 80% by 2024.

For exotic skins sourcing, we are compliant with CITES.

We are a member of the International Crocodilian Farmers Association (ICFA), which sets reptilian and crocodilian animal welfare standards. As a member, we contribute to the supply chain through funding and receive certification information. For alligator and crocodile leather, we aim to source 100% of our skins from ICFA-certified farms by March 2024. Sourcing is currently at 74%.

Thanks to the ranching methods used by crocodilian farmers, our efforts contribute to the conservation of biodiverse wetlands in Louisiana.

ANIMAL TESTING

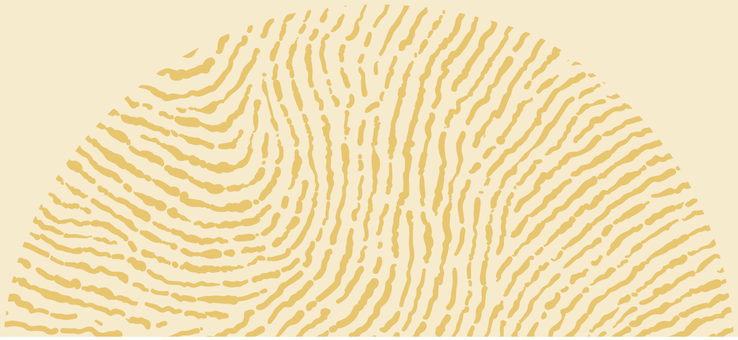
Neither Richemont nor its Maisons conduct any testing of its products on animals. Our Maisons have policies for animal testing, fragrances and cosmetic products, and product information and labelling.

Cartier Parfums do not perform any tests on animals for their fragrances. The European Regulation regarding Perfumes and Cosmetic Products prohibits such practices and enforces the same for the ingredients, insofar as valid alternative methods exist. Cartier Parfums rely on and strictly follow the European Regulation.

Van Cleef & Arpels, Montblanc, dunhill, Chloé and Alaïa have licence agreements with third parties for fragrances and other cosmetics. Those Maisons have received assurances from their suppliers that no licensed products are tested on animals.

Around 71% of our bovine skins come from LWG-certified tanneries. We hope to increase that figure to 80% by 2024.

AMPLIFYING OUR SOCIAL HANDPRINT

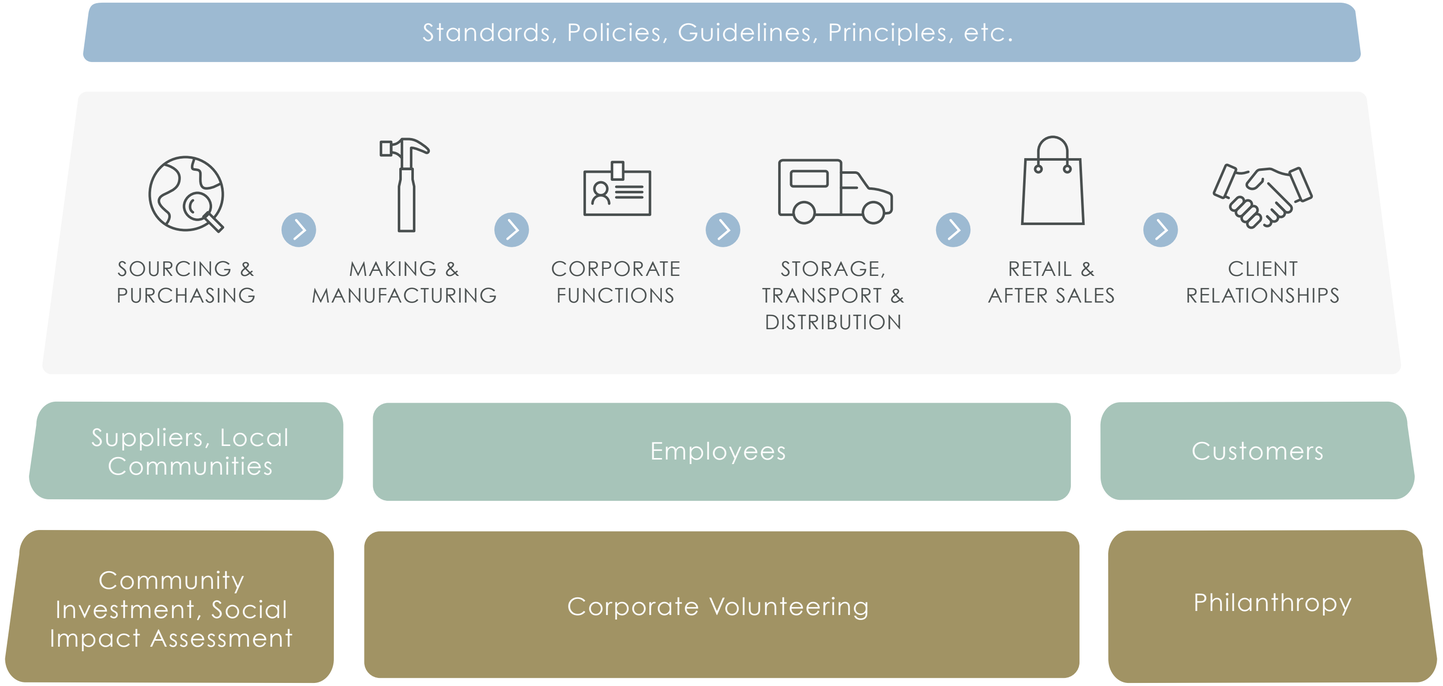


At Richemont, we care for the world we live in.

We aim to generate long-term value to all stakeholders. The following chapter will describe how we are building a strong human rights framework, and implementing meaningful tools to quantify the social impact of our sourcing activities. You will also learn about actions we take for, by and with our people (resulting in us being named by Forbes as one of the World's Best Employers), and how we work to positively impact communities involved in our supply chains, including actively measuring our community investment activities.

We have structured this chapter around the following diagram. Our overarching support of human rights – from sourcing raw materials to our client relationships – shapes our governance practices. Those practices are formulated through standards, policies and other documents and organising bodies. In turn, different groups of people – our stakeholders – are touched by those practices. We do our best to ensure those touch-points have a positive social impact via Richemont's Social Handprint. The chapter concludes with the impacts on the communities in which we or our partners operate: from raw materials to philanthropic projects in tune with our Group, our Maisons and their customers.

RICHEMONT HUMAN RIGHTS & BUSINESS FOUNDATIONS



HUMAN RIGHTS

Human rights are intrinsically linked to our commitment to amplifying our social handprint.

These rights include but are not limited to:

- Protecting the health and safety of our people
- Ensuring our suppliers provide decent working conditions
- Safeguarding non-discrimination in the workplace.

The protection of these rights falls in line with our aspiration to care for and support our colleagues and communities.

Not only do we seek to commit to the protection of human rights, but we also strive towards a net positive impact in our communities to transform lives.

The growing prominence of business and human rights-related topics, and the establishment of the United Nations Guiding Principles (UNGPs) in 2011, has led us to develop our human rights framework.

Foundations of human rights

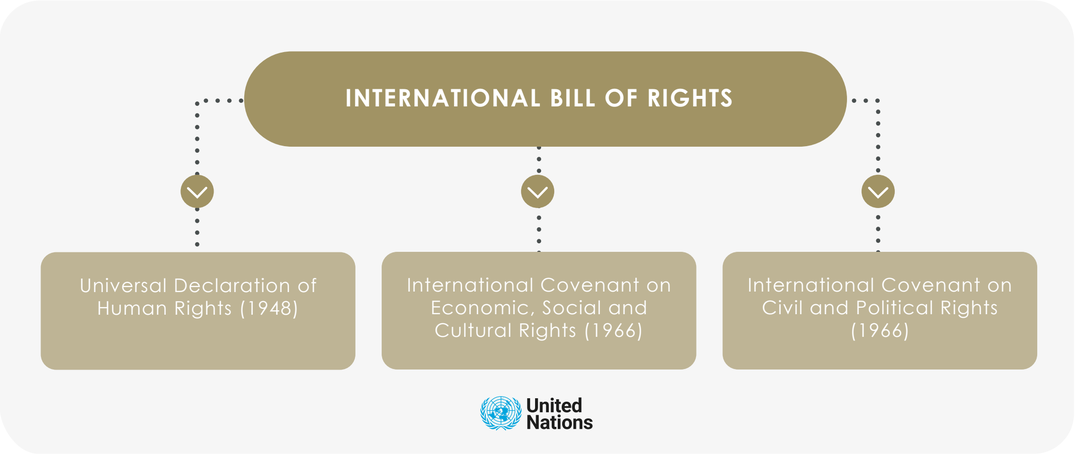
Human rights are rights that are bestowed upon every individual at birth. They are inherent to all of us regardless of nationality, ethnicity, sex, religion, language, orientation or any other status.

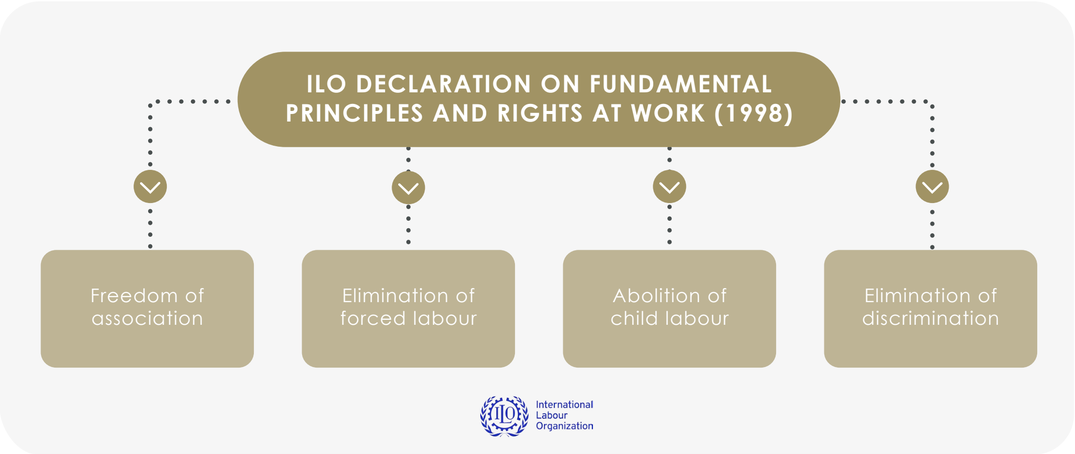
The Universal Declaration of Human Rights (UDHR) was established in 1948. Along with the International Covenant on Economic, Social and Cultural Rights (ICESCR), the International Covenant on Civil and Political Rights (ICCPR), collectively known as the International Bill of Rights, and the ILO Declaration on Fundamental Principles and Rights at Work, the UDHR acts as a cornerstone for all human rights principles.

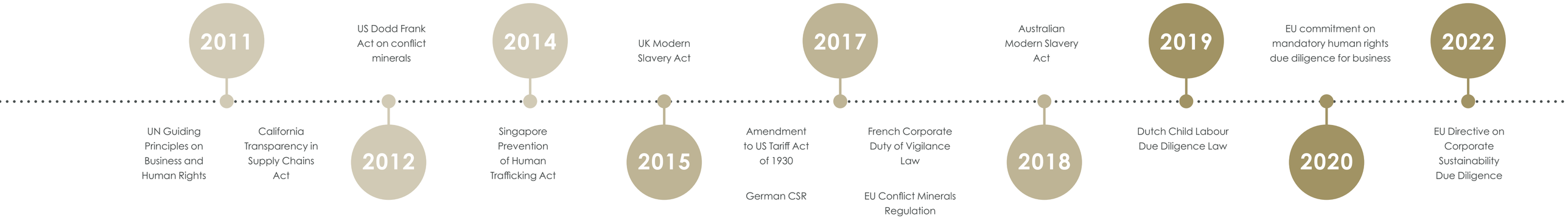
The evolution of regulatory frameworks

The UNGPs stem from John Ruggie's Protect, Respect and Remedy framework, endorsed by the UN Human Rights Council in its 2011 resolution. Over time, they have developed into an authoritative, international standard that more specifically sets out the State duty to protect, the corporate responsibility to respect, and the need to provide effective remedy. The foundational principle is that business enterprises 'should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved'.[4]

This principle contributed to the framing of the human rights chapter of the OECD Guidelines for Multinational Enterprises, which is supplemented by the OECD Due Diligence Guidance for Responsible Business Conduct. The goal is not only to minimise or eliminate adverse impacts, but to have an additional positive impact and therefore become net positive. See the section on our Product Social Impact Assessment for more on how we intend to do this.







▲ *Evolution of regulatory human rights references*

Recent years have seen a proliferation of due diligence legislation, particularly in Europe. These include but are not limited to:

- The UK Modern Slavery Act (2015)
- The French Corporate Duty of Vigilance Law (2017)
- The Directive on Corporate Sustainability Due Diligence (2022 – which also amends the Directive on the Protection of Persons who report breaches of EU law)
- The upcoming German Supply Chain Due Diligence Act (scheduled for 2023).

And the Swiss Responsible Business Initiative counterproposal, a legislative development, came into force at the start of 2022, which lays the groundwork for our human rights ambitions and will contribute to reporting in 2023.

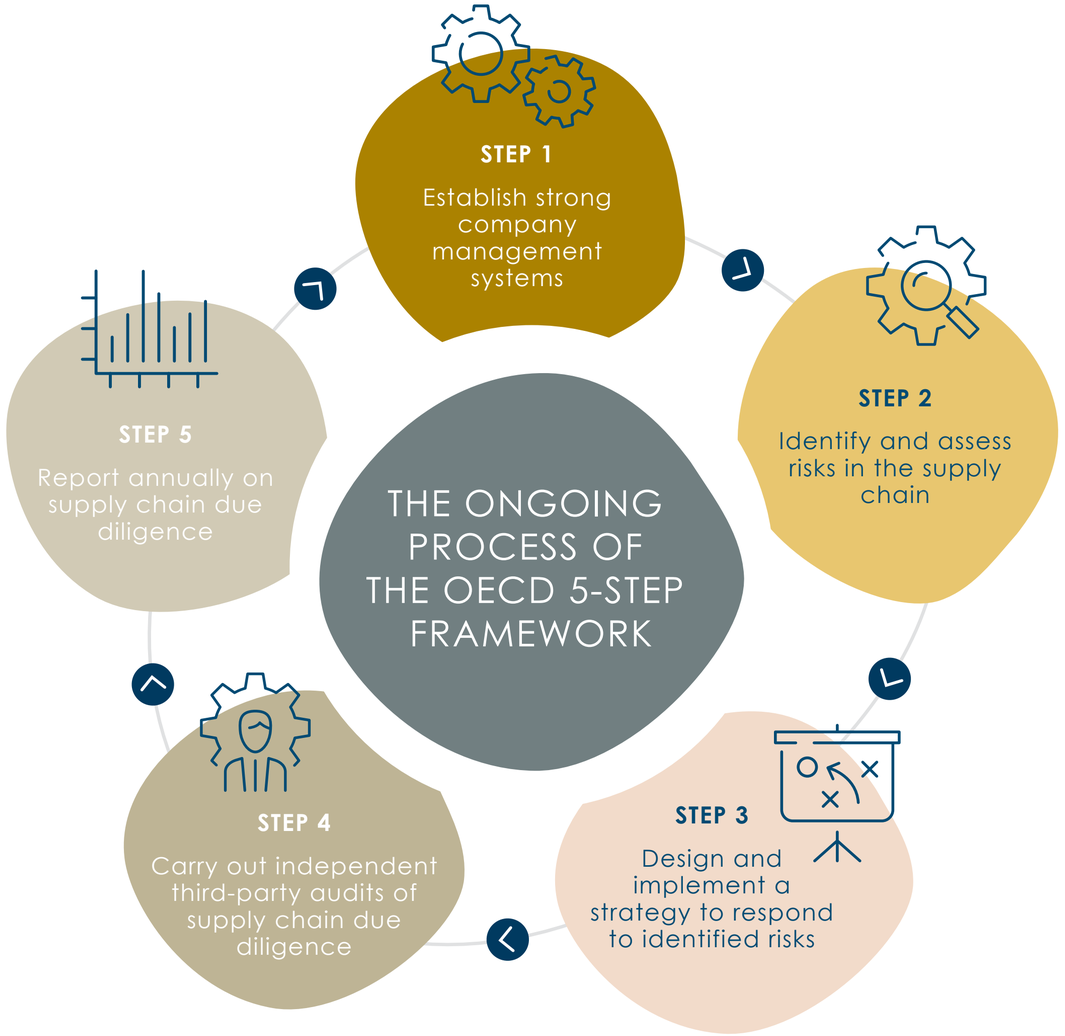
All these developments are closely tracked by our Human Rights and Legal and Compliance teams, which allows us to adapt, change and go that 'extra mile' in an ever-changing legislative landscape.

OECD DUE DILIGENCE GUIDANCE

To meet the need for due diligence in our mining supply chain, we adhere to the OECD Due Diligence Guidance, which helps companies respect human rights and avoid contributing to conflict through their sourcing decisions, including the choice of their suppliers. Its recommendations are part of the EU Conflict Minerals Regulation 2017/821.

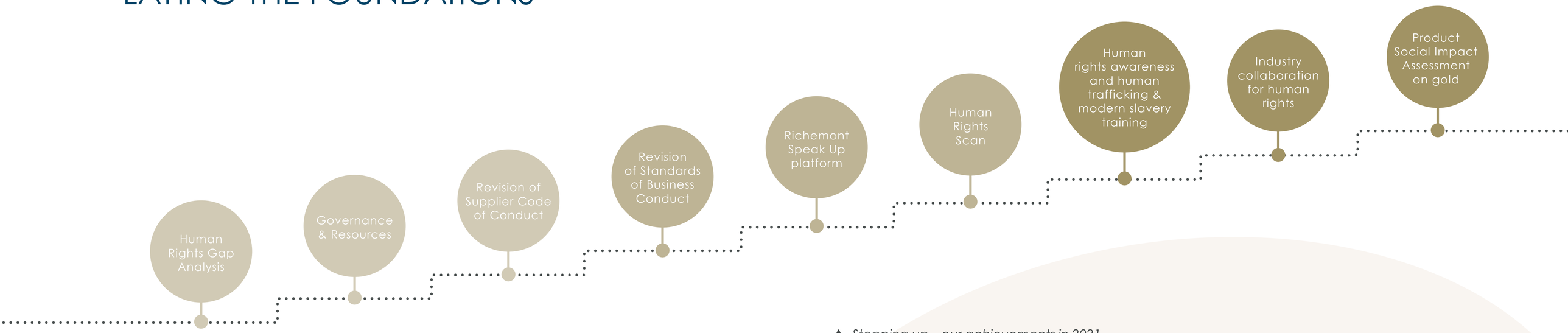
The Guidance recommends a 5-Step Framework, which is global in scope and can be applied to all minerals:

1. Establish management systems.
2. Identify and assess risks.
3. Strategy to manage risks.
4. Carry out independent third-party audits.
5. Report annually.



▲ *The ongoing process of the OECD 5-Step Framework*

LAYING THE FOUNDATIONS



▲ *Stepping up – our achievements in 2021*

The following sections explain how Richemont is stepping up in building a solid human rights strategy.

HUMAN RIGHTS GAP ANALYSIS *(GRI 1, 2, 3)*

Human rights due diligence must inform our governance, organisational frameworks and the core of our business model.

In early 2021, we conducted a gap assessment which compared our Business & Human Rights (B&HR) initiatives with existing and emerging B&HR principles, standards and legal requirements.

The assessment criteria were based on a mix of internationally accepted guidelines, including but not limited to UNGPs 13 and 18 – and the OECD Due Diligence Guidance, and two regulatory proposals at the regional and national level – namely the EU Corporate Sustainability Due Diligence Directive, the Swiss Non-Financial Reporting Regulation and the Swiss Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour Regulation (otherwise referred to as the Responsible Business Initiative counterproposal). Respecting people and the planet by preventing adverse impacts across our business activities is the most significant contribution we can make towards sustainable development.[5]

The assessment highlighted a need to further integrate human rights across our organisation, through the clarification of governance, resources and all aspects of our partner relationships (e.g. heightened due diligence for indirect suppliers, marketing activities and our own operations). It also gave us insight into where and how we can demonstrate greater organisational accountability.[6]

GOVERNANCE AND RESOURCES *(GRI 2-9, 2-12, 2-13, 2-14, 2-24)*

To set some clear roles and responsibilities, the Corporate Sustainability Team formed a Human Rights Task Force consisting of colleagues from:

- Legal
- Responsible Sourcing
- Group Procurement
- Group Audit
- Group Human Resources
- Group Health & Safety.

And, at the start of 2022, we recruited two human rights specialists, to support the implementation of our Human Rights Strategy. Our Human Rights Governance Proposal will be approved by the Board's Governance and Sustainability Committee in the year ahead.

How to make the right decisions

Always ask these questions…

- Is it covered by our Ways of Working?
- Are we legally able to do it?
- Is it consistent with our values?
- Is it consistent with our desired behaviours?
- How will the actions affect our stakeholders?
- What would happen if the decision was made public now or in the future?

Always seek support when making difficult decisions

UPDATING OUR SUPPLIER CODE OF CONDUCT AND STANDARDS OF BUSINESS CONDUCT *(GRI 102-16) (102-16)*

We have reviewed and updated key internal policies to ensure respect for human rights is embedded into our decision-making processes and our engagement with suppliers. One such policy is our Supplier Code of Conduct, which now better reflects emerging best practice in the areas of B&HR, whistleblowing, and so on. The Supplier Code of Conduct was established in a multi-stakeholder process and was approved by the CSR Committee in June 2021. The Code is available in 12 languages.

Our Standards of Business Conduct informs our business culture by helping us make ethical, legally sound decisions in all the countries we operate in. They outline our commitments to collegiality, freedom, solidarity and loyalty, and help us think about how we impact our people, partners, clients and the planet. They also promote transparency and integrity, including our people's right to speak up if they have concerns about our business.

RICHEMONT SPEAK UP PLATFORM *(GRI 2-25, 2-26)*

We foster an open culture where concerns about unethical, illegal and inappropriate behaviour and practices can be raised. We take all reports very seriously and ensure they are addressed in a fair and timely manner, anonymously, without any fear of retaliation.

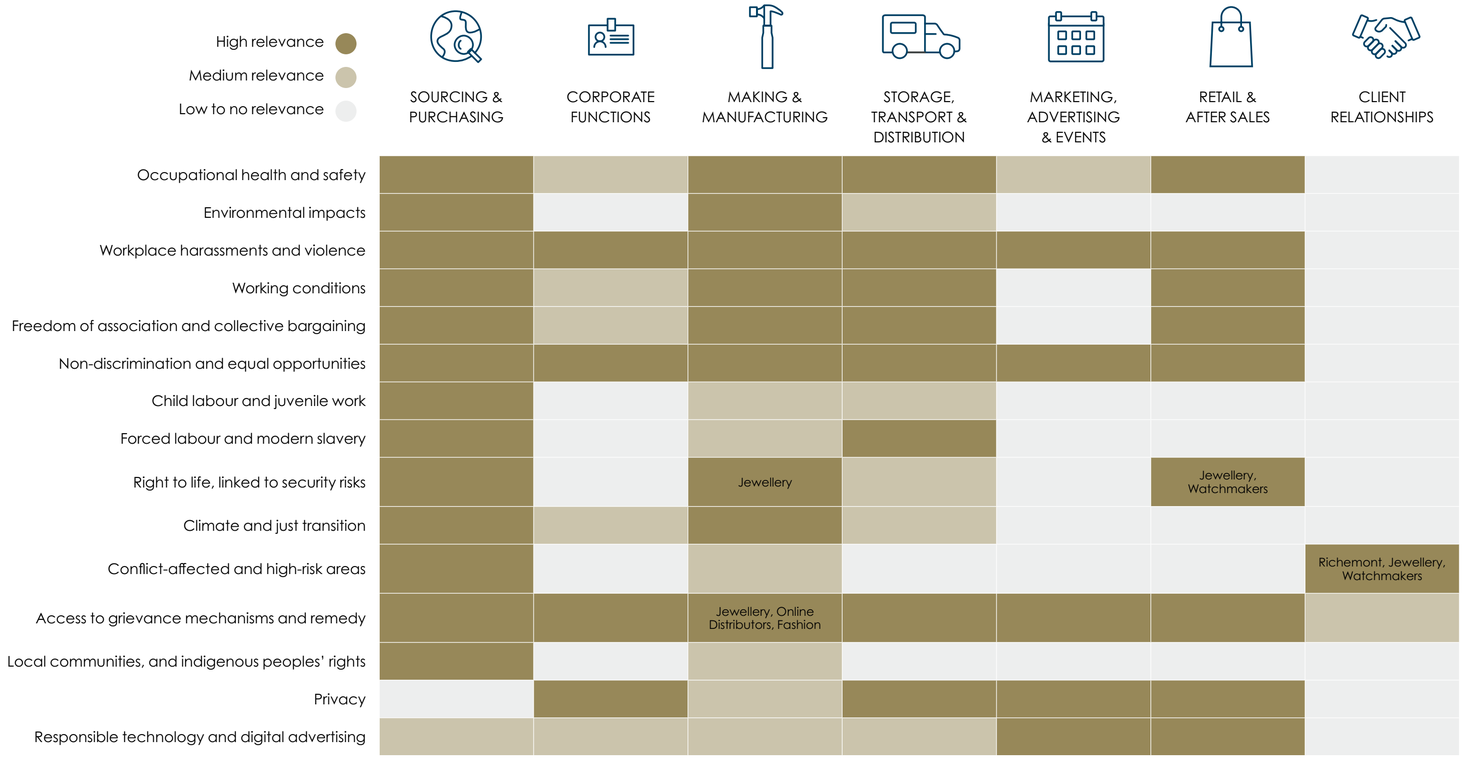
We are updating our grievance-reporting system to a single platform for internal and external stakeholders. As required by the UNGPs, this will allow all stakeholders to speak up in a legitimate, accessible, predictable, equitable, transparent and rights-compatible way.

The Richemont Speak Up Platform will be a source of continuous learning that underlines the importance of engaging with our stakeholders. Its implementation is being co-ordinated by our Regulatory & Compliance teams, and will be rolled out to an internal audience before becoming publicly available.

HUMAN RIGHTS TRAINING *(GRI 404-2)*

To realise our goal of empowering our stakeholders to have a solid understanding of the importance of human rights, we are developing a range of training modules, which will explain why human rights are relevant to everyone. The training will also be made publicly available and support implementation of the Richemont Speak Up Platform.

As part of this work, in line with the California Transparency in Supply Chains Act (2010), the UK Modern Slavery Act (2015) and the Australia Modern Slavery Act (2018), our commitments in this area are laid out in our Slavery & Human Trafficking Statement. We will also implement training on this.



▲ *Human rights risk across the value chain*

HUMAN RIGHTS SCAN *(GRI STANDARDS 1, 2 AND 3)*

As part of our proactive approach to human rights, we conducted a human rights 'scan' to gain insights into our value chain. The scan gave us a snapshot of the actual and potential human rights risks most relevant to our business. It also gives us a basis on which the Maisons can lead their own deep dives. See the table above for a helpful visualisation.

The scan clearly shows our human rights hotspots are located at the raw material, sourcing and purchasing level, followed by outsourced manufacturing and services, including transport, and third-party business relationships.

It also indicates we need to know more about certain Maison value chains.

Our Human Rights Team will continue to work to improve transparency and increase efficiency in the management of due diligence.

STRENGTHENING HUMAN RIGHTS THROUGH COLLABORATION

(PRIMARILY GRI 404, 411, 413)

As a cross-cutting issue to support better prevention and remediation, meaningful stakeholder engagement is at the heart of our strategy for effective responses. Emphasis should be placed on those likely to be the most vulnerable, like indigenous peoples, migrant workers, children and minorities.

By working closely with other industry stakeholders, we can:

- Build effective solutions to human rights challenges
- Raise standards while focusing on effective engagement
- Achieve positive outcomes for all.

As an example, our collaboration with the Responsible Jewellery Council (RJC) helps to address the industry's contribution to specific human rights impacts.

PRODUCT SOCIAL IMPACT ASSESSMENT OF ARTISANAL AND SMALL-SCALE MINED GOLD *(GRI 414-2)*

As part of our commitment to amplify our social handprint, we want to be able to measure our social impact.

In 2021, we concluded our first Product Social Impact Assessment (PSIA) on artisanal and small-scale mined (ASM) gold, and designed an approach that we will use for other social handprint projects.

Through the PSIA, we seek to evaluate the performance of specific operators and compare their performance to the sector they are a part of to measure how their involvement has affected overall social and human rights performance and whether working with artisanal and small-scale mines (ASM) to bring them up to standard generates enough positive impacts to justify this involvement.

Richemont and Cartier have a long-standing partnership with the Swiss Better Gold Association (SBG), through which it supports responsibly produced gold from artisanal and small-scale mining.

The Sociedad de Trabajadores Mineros S.A (SOTRAMI) is an RJC Code of Practices and Fairtrade-certified ASM operator, owned by 165 shareholders, most of whom either work or have worked for the company.

Cartier is SOTRAMI's primary partner. It supports the mine by paying an Impact Premium. This fund is reinvested at 70% to finance local development projects approved by local stakeholders and by the Swiss Better Gold Association.[7]

SOTRAMI operates an underground hard rock mine where minerals are processed in a cyanidation plant.

The PSIA was developed in line with the PSIA handbook,[8] a recognised methodology that is broadly similar to an environmental life cycle assessment.

A PSIA-aligned approach focuses on social impacts observed at the stakeholder level, thereby giving insight into the real-world effects of a product or raw material. In terms of the PSIA for SOTRAMI's ASM gold, a focus was placed on the impact of supply chain actors (i.e. small-scale entrepreneurs, workers and local communities).

Social topics are grouped around their corresponding stakeholder categories and evaluated by a scoring system ranging from -2 to +2:

+2	Best in class, continuous improvement; the operator shows exceptional performance by itself or compared to the sector
+1	Beyond generally acceptable situation; performance and policies/procedures go over and above the demands of the benchmark
0	Generally acceptable situation; compliance level
-1	Unacceptable situation, but improving
-2	Unacceptable situation, no improvement; presence of catastrophic impact

Chloé

In February 2022, Chloé worked to develop a social impact measurement tool (SP&L – Social Performance & Leverage), in partnership with Institut Français de la Mode and the Conservatoire national des arts et métiers.

The open-source tool supports brands in measuring performance on topics like diversity, gender equality, inclusion, job quality, living wage, training and well-being. It also aims to provide guidance for decision-making in the context of product design and sourcing strategy.

The methodological review was initiated and an industry-wide consultation will take place later in the year. The final SP&L methodology is due to be shared in 2023.

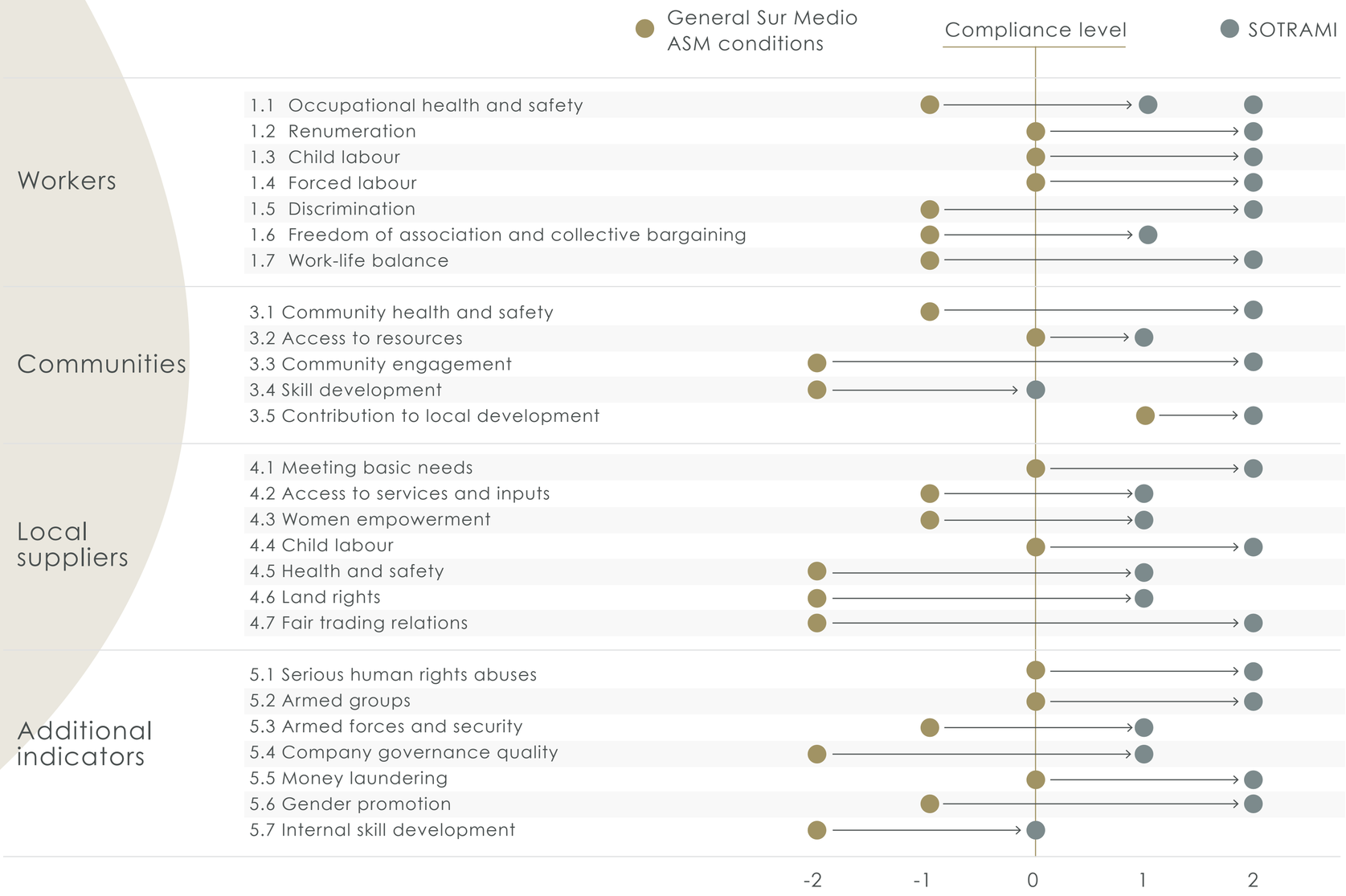
Now let's compare the SOTRAMI PSIA to an ASM in the same Region.

Sur Medio is part of Peru's coastal desert, a region characterised by extreme aridity and almost zero vegetation. This has made it largely uninhabitable. Most of the mining takes places in areas where, as far as we know, no prior settlements existed.

Unlike other regions of Peru, Sur Medio does not suffer from the presence of armed groups. But the lack of State involvement caused by its remoteness (i.e. its distance from administrative centres) has led to the development of an unofficial and short-sighted ASM sector. The vast majority of operators lack a formal title or arrangement, which could secure their future access to their areas of operation.

As the figure on the right clearly shows, SOTRAMI's performance is excellent when compared to that of Sur Medio, and proves incentivising mining operators has significant social and human rights potential.

If suppliers are carefully selected and supported on their path to improvement, as the SOTRAMI mine was by Cartier and the SBG, the potential for lasting and wide-ranging positive social impacts could be significant in the long term.



ILLUSTRATING OUR SUPPLY CHAIN ACTIONS

GRI 103-2

We are embedding responsible sourcing practices based on the UN Guiding Principles and the OECD Due Diligence 5-Step Framework.

Gold sourcing

We have fully integrated transparency criteria into the supplier selection process. New suppliers must disclose their sources to help us improve the visibility of our supply chain.

FINE GOLD

Fine gold is equivalent to 24-carat gold, which is 100% pure gold.

Fine gold is used to produce the gold alloys that are normally used in products (e.g. 18-carat gold, which is made with 75% fine gold mixed with 25% other metals such as copper and silver or palladium).

Our Gold Sourcing Committee sets the gold sourcing strategy and oversees its implementation. This includes risk assessment, sourcing rules and monitoring applications.

The gold sourcing strategy relates to industrial scraps and old jewellery recycling as well as mined gold. Our ambition is to source 100% traceable gold by 2025.

Varinor, the Group's precious metals refiner, applies OECD due diligence guidance principles to its purchasing of gold.

Materiality	Metric	2025 Target	Progress at 31 March 2022
Fine gold purchases through Varinor	% of weight	99%	94%
Gold purchased by Varinor is RJC COC eligible	% of weight	100%	100%

Our ambition is to source 100% traceable gold by 2025.

1. MANAGEMENT SYSTEM

The Managing Director of Varinor is accountable for Varinor's due diligence management system. The system includes a process for validating new business relationships for the purchase of fine gold, and monitoring risks in existing relationships.

All new business relationships are subject to a strict evaluation and approval process. The assessment is a risk analysis based on documentary evidence and an on-site audit. An essential part of the approval process is dedicated to the quality of information gathered and the transparency of the supplier.

Once all relevant information of the evaluation process has been gathered, Richemont's Gold Sourcing Committee makes and announces its decision.

2. RISK IDENTIFICATION AND ASSESSMENT

To date, based on the recommendations of the Gold Sourcing Committee, Varinor favours, as much as possible, RJC COC-certified recycled gold of industrial origin, and old jewellery.

Among the major risks relating to conflict-affected and high-risk areas for these supply chains are:

- Corruption
- Money laundering
- The introduction of illegitimate gold (e.g. via jewellery).

Carefully selecting the country of origin, reviewing evidence and auditing all help to significantly minimise risk, as do Varinor's transparency requirements, which demand that suppliers disclose their sources.

The pace of supply chain audits slowed during the pandemic, but it will pick up as and when the context allows.

3. RISK MANAGEMENT

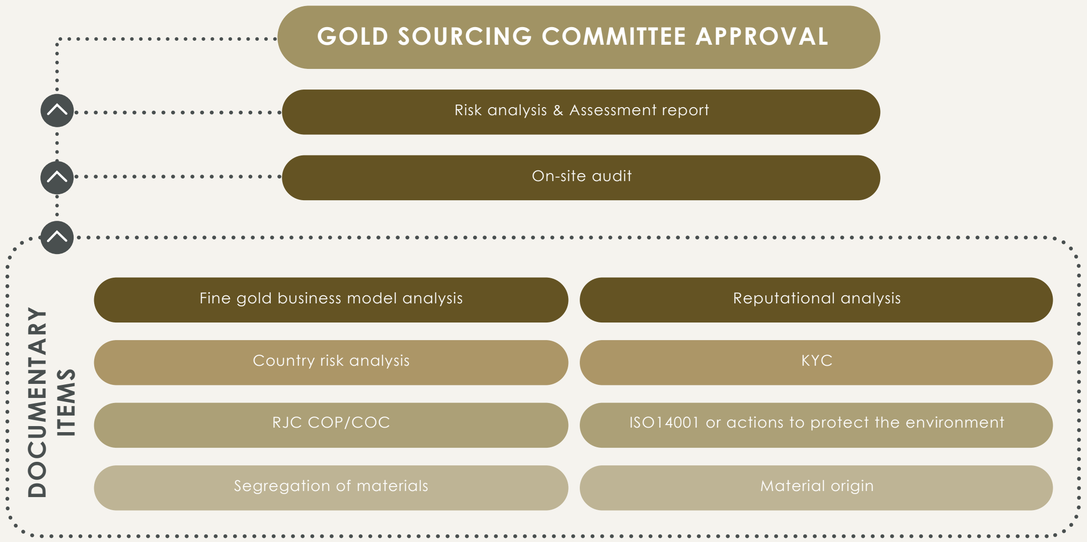
Varinor's suppliers are in North America, Western Europe (Switzerland and Germany) and Japan. None of the gold we purchase comes from Russia. The risk assessment for approved channels does not require a risk reduction plan, but Varinor does monitor and support its suppliers to ensure their compliance with the Group's procurement policies.

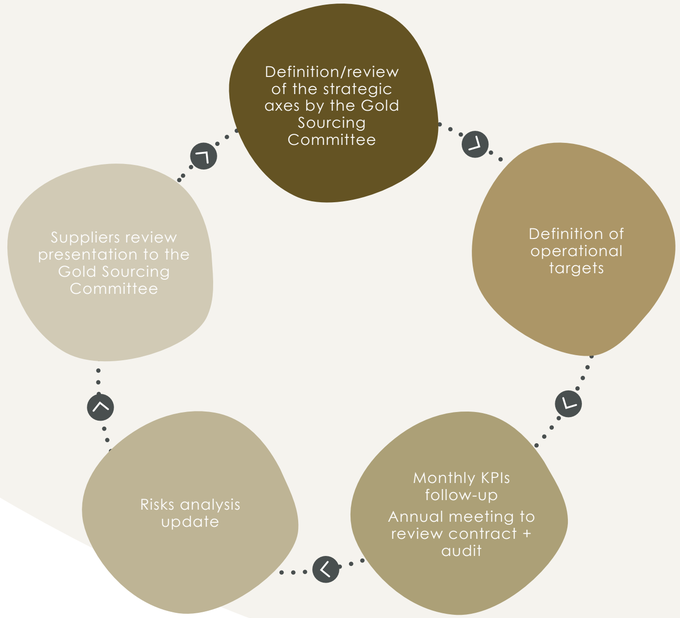
4. DUE DILIGENCE VERIFICATION

The Varinor due diligence system was verified by a third party during RJC COC certification and the recertification audits that take place every three years.

5. ANNUAL REPORTING

A due diligence report is audited and made available to the Maisons and external customers each year. An extract of this report is presented above.





Alloyed gold

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

95% of Tier 1 suppliers to our Maisons, including internal manufacturers and metal refiners are RJC COP-certified. Over 50% of Tier 1 suppliers are COC-compliant. Tier 2 suppliers in the precious metal and diamond industries are encouraged to join the RJC and have their own independently certified responsible business practices.

99.6% of the gold currently purchased by our Maisons is COC-certified.

Diamond & gemstone sourcing

In order to preserve their unique heritage and DNA and enable their individual creativity to flourish, Maisons are in charge of the governance and sourcing of their diamonds and coloured gemstones. That said, due to the growing importance of this topic, a Stone Supply Chain Committee will be implemented at Group level in FY23.

We are committed to ensuring the diamonds we purchase do not fund conflict or terrorism. All diamonds purchased by Group companies are Kimberley Process Certification Scheme (KPCS) and System of Warranties (SoW)-compliant.

As of today, 89% of our diamonds supplier are RJC COP-certified. As a responsible company, we have stopped buying diamonds that were mined in Russia after the invasion of Ukraine. We now request our diamond suppliers certify that the polished diamonds we purchase do not come from a rough diamond mined in Russia since the beginning of the conflict in Ukraine.

UNDISCLOSED SYNTHETIC DIAMONDS *(GRI 417-1)*

Our policy is to not buy or sell synthetic/laboratory-grown diamonds. In line with this, the Group has taken steps to ensure all diamonds sold to our customers are natural.

THE COLOURED GEMSTONES WORKING GROUP

The Coloured Gemstones Working Group (CGWG) is an industry-led body seeking to improve human rights and working conditions across the supply chain of coloured gemstones. It offers free resources and tools to enable individuals and companies, from small-scale mining operators to retailers, to learn more about and implement responsible business practices through continuous improvement approaches.

The Gemstones and Jewellery Community Platform was launched in April 2021. It is supported by Richemont, Cartier and Van Cleef & Arpels. It provides suppliers with tools to conduct due diligence for the gemstones value chain and enhance transparency.

Additionally, the Group and the Maisons have been using Kumi's CAHRA Map, a service that enables quick and easy identification of conflict-affected and high-risk areas (CAHRAs).

Vision for 2025: Reach more than 90% lower impact materials (RTW and Accessories) and 30% of Fairtrade sourcing in all categories.

Chloé's KPIs for sourcing

OBJECTIVES FOR 2021:

- **KPI 1: Reach at least 55% of lower impact products in Chloé's Ready-to-Wear offer on average in 2021**
  On average, the Maison reached 59% of lower impact products in Chloé's Ready-to-Wear collections: 56% of Chloé's offer in Spring 2022, 58% in Summer 2022, 70% in Autumn 2022, and 46% in Winter 2022.
  Chloé shared a list of attributes for lower impact raw materials approved by external experts in April 2021, and are establishing an extended version enriched with studies that better explain their decisions.
  Starting from the Autumn 2022 collection, Chloé also implemented new features in their product lifecycle management systems, to track lower impact and social attributes.

- **KPI 2: Reach 20% Fairtrade sourcing in Chloé's Ready-to-Wear product offer**
  Chloé are increasing their share of Fairtrade suppliers, including five new ones, accounting for 13% of manufacturing for the Maison's Ready-to-Wear offer.
  Chloé currently partner with 11 Fairtrade and social enterprises, including:
  - MADE51, an initiative created by the UNHCR, gives refugees in 23 countries the opportunity to build a livelihood through their craft. The initiative worked on embellishments for our Spring 2022 handbags. Our order of 11 822 pieces was their largest to date, helping to positively impact over 700 women and keep cultural traditions alive.
  - Mifuko is a Kenya-based social enterprise. With fair pay and less dependence on unpredictable farming as a source of income, Mifuko, Swahili for pocket, empowers its artisans so no one is left with theirs empty. The enterprise makes baskets which are later embellished with leather. Chloé have so far ordered 37 957, empowering 800 artisans. Chloé also supported the Wash and Grow! Initiative, which combines improved sanitation with agricultural benefits.
  - Akanjo is a Madagascan social enterprise that places equal pay and well-being at the centre of its properties. A partner of Chloé for 15 years, Akanjo is also committed to training and promoting craftsmanship.

  MADE51, Mifuko and Akanjo are all World Fair Trade Association (WFTO)-certified, a global community of social enterprises that fully practices Fairtrade. Its guarantee system is the only international verification model that puts the interests of people and the planet first. The WFTO helps to improve one million livelihoods, 74% of which belong to women.

- **KPI 3: 80% of Chloé's main suppliers disclosed on Chloe.com for transparency**
  In line with our commitment, Chloé published a list of their main suppliers (80% of Tier 1 suppliers) in February 2022. A new audit process for suppliers was approved and implemented in October 2021.

BAUME & MERCIER
MAISON D'HORLOGERIE GENEVE 1830

Baume & Mercier have always followed the highest sourcing standards. Sustainable raw materials and components remain a priority for the Maison, which accelerated along their transformational path a dedicated collection celebrating their aesthetic and eco-responsible philosophy. Sustainable methods were employed from the start, and had a central role in the design phase.

PETER MILLAR

Peter Millar continues their efforts with supply chain transparency by joining the Fair Labor Association and committing to the Transparency Pledge. The commitment means publishing their supply chain for collegiate goods on the Open Apparel Registry.

Cartier

For diamonds and stones, Cartier continue to improve transparency linked to origin, path and practices. They engage in long-term relationships with suppliers who respect Cartier's values and commitments. The Maison also support continuous improvement, where possible, and stop sourcing coloured stones under certain conditions until those conditions improve (for example, the Maison stopped sourcing Burmese stones in December 2017).

Cartier also collaborate with industry stakeholders on leather, to improve both transparency and the sustainability of their supply chains. The Maison audit all of their suppliers and request the highest sustainability and animal welfare certifications. They also trace back to origin 100% of their exotic skins and have full visibility on the actors in their value chain.

Empathy and collegiality are key Richemont values. We strive to bring them to life in everything that we do for, by and with our people.

At Richemont, we are on a journey to build a meaningful, diverse and inclusive place to work, enabling us to thrive and empowering every one of us to have a positive impact.

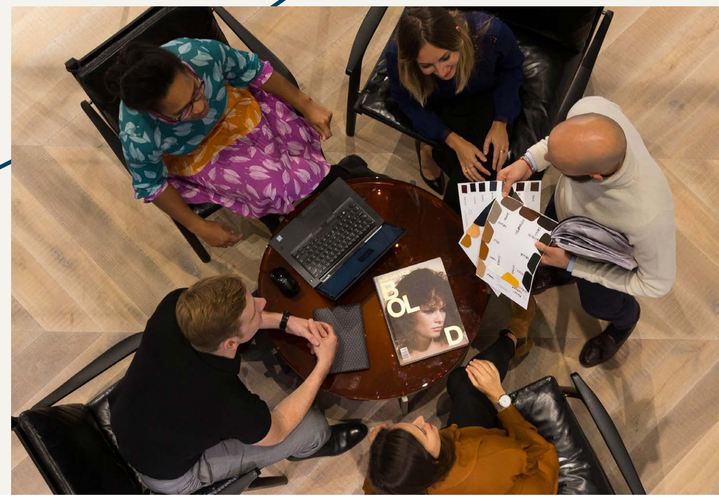
PATRICIA GANDJI
Chief People Officer and CEO Regions

OUR PEOPLE

Bringing our People vision to life

We are committed to bringing our People vision to life for all our colleagues. Last year saw an enhancement of our efforts, with key initiatives designed to create a sense of belonging in a world of opportunities, where everyone experiences a journey of becoming.

As part of this work, our new Manifesto helped crystallise who we are, and what we stand for in terms of ways of working together and individual behaviours. Care was also a key theme for us, and will remain an ongoing priority (initiatives were developed to help people navigate high levels of uncertainty in and out of the workplace).



FOR, BY AND WITH OUR PEOPLE

As we continue to change and adapt, we need to support our people. Our aim is to offer a fulfilling experience in a competitive, inclusive and purposeful work environment.

Some of our key initiatives for the year were focused on:

- Listening to and enhancing people's voices
- Working on our diversity strategy
- Empowering people to contribute to communities through our volunteering policy
- Protecting people through our health and safety standards.

Over the past FY, more than 16 000 (>40%) of our global employees were invited to share their overall experience by participating in a confidential 60-question People Experience survey via a digital platform, made available in 16 languages. With an average participation rate of over 80% and close to 25 000 comments collected in total, the insights provide direct feedback from our people on what is going well and what should be improved. Maison/Entities that took part in this exercise in FY21/22 included:

- Cartier
- Peter Millar
- Piaget
- Roger Dubuis
- Vacheron Constantin
- Richemont Regional Functions.

Supporting our people means attracting new talent and enabling all colleagues to develop and grow. We have invested a lot in connecting with young people through:

- Relationships with universities
- Improving our work experience offer and perception as an employer of choice.

Attracting young talent remains a focus for the upcoming year.

Learning and development is essential to vocation. That is why we have made a significant effort to develop our learning culture by:

- Creating programmes to better explain our heritage and evoke a sense of pride
- Investing in diversity to develop empathy between our people all around the world
- Sharing our business strategy and ambitions, to support our wider vision
- Upskilling, empowering and inspiring our people to strive for future opportunities
- Transforming our performance management systems.

FOSTERING A SENSE OF BELONGING

Fostering a sense of belonging means helping our people feel:

- Connected to Richemont and its mission and values
- They can be themselves in their place of work
- They are part of a Group that listens to, and is shaped by, their voice and actions
- Their personal and professional purposes are aligned.

1. Giving our people a voice

LISTENING TO OUR PEOPLE

This year has seen us move towards becoming a more people-centric, listening organisation. To this end, we partnered with Culture Amp, a survey and analytics platform, to help Maisons, Regions and Group Functions to:

- Measure and understand what fuels engagement
- Start developing initiatives to improve our people's lives at work.

In the last financial year, 40% of our colleagues took part in an employee experience survey. The information gathered is already informing plans to focus on what matters most to our people.

EMPOWERING THEM TO GIVE BACK THROUGH VOLUNTEERING

We published our Volunteering Policy in December 2021. Colleagues can now take eight hours' paid leave per year to give their time to a cause of their choice.

We also enhanced Alaya, our dedicated volunteering platform, further underscoring our commitment to making a positive impact on communities.

PIAGET

To improve our People journey, we conducted our first worldwide People Engagement Survey in October 2021, with a 90% participation rate. The results highlighted both strengths and improvement areas to be addressed during the next financial year.

JAEGER-LECOULTRE

We implemented a volunteering platform in 2021, offering employees the opportunity to dedicate one working day per year to create a positive impact on the environment and our surrounding communities. Employees can get involved in multiple activities, to put our values into action, either by volunteering in-field or online, by donations or by adopting new habits in daily life. So far implemented only in Switzerland, we plan to launch the platform globally.

2. Activating our Global Diversity, Equity & Inclusion Vision

This year we took a major step forward in defining our vision for Diversity, Equity & Inclusion (DEI):

- A new Group DEI Leader was appointed.
- Our vision was articulated as 'Diversity Is Everyone'.
- We encouraged our markets to express their diversity through the nine dimensions we identified.
- We built a more diverse workforce, specifically with regards to gender.
- We helped our Regions activate a bottom-up DEI approach.
- Piaget's focus on DEI continued in 2021. 53% of their international brand managers and 50% of their Executive Committee are now women.
- Richemont Americas has continued to define, explore and build awareness throughout the Region on crucial DEI topics. The target is to reach our people through training and offering DEI programming content. The Region is also working to integrate DEI into all aspects of the organisation, i.e. structures, systems and behaviours.
- Chloé launched a Diversity & Inclusion Charter in FY22, based on four focus areas:
  - Gender equality
  - Gender identity and LGBTQ+
  - Social and cultural diversity
  - Accessibility.

Chloé

Vision for 2025: Advance gender equality and inclusion throughout the workplace while supporting and inspiring individuals.

Women represent 80% of the team at the Chloé headquarters in Paris, and 83% of Chloé worldwide.

69% of worldwide senior management positions were held by women in 2021.

Chloé's KPIs for people

OBJECTIVES FOR 2021:

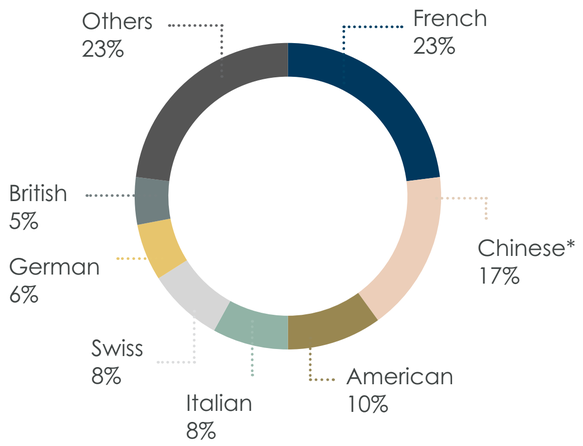
- **KPI 1: 100% of Chloé employees to have access to dedicated training on climate change, gender equality and the UN's SDGs**
  This objective was completed. 1 044 hours of training were dedicated to sustainability worldwide, accounting for 22% of total training. One out of three HQ employees received training on climate change. 100% of Product teams received training delivered by an expert on lower impact materials.
- **KPI 2: 100% of performance plans to include a sustainability KPI, for all employees worldwide**
  This objective was completed and we delivered thorough guidelines and training to managers to ensure their implementation.
- **KPI 3: 8 hours per employee available for volunteering activities (with a global objective of 2 000 hours worldwide)**
  In July 2021, we launched our volunteering programme in France, giving every employee eight hours' leave to volunteer each year. Later, the programme was launched in the US, China and Japan. 732 hours were completed, a result linked to delayed deployment of the programme in those countries. In France, about one in three people has enrolled in the volunteering programme.

ATTRACTING AND RETAINING TALENT

The diversity of our Group is also demonstrated by 139 nationalities working together. In HQ alone, we employ people from over 77 different backgrounds.

This financial year, we have taken many steps to increase diversity in our workforce. As a result, the percentage of female employees in leadership positions, and non-European employees, has increased. We also continue to foster local talent and offer our people full visibility on open positions worldwide, through dedicated channels and the publication of non-confidential opportunities.

▼ *Nationalities data*



**Includes all China locations not only Chinese from Mainland China (CN, HK, MO, TW)*

ADDRESSING THE GENDER GAP

Though our definition of diversity goes beyond gender, 57% of our workforce are women, which makes gender inclusion a priority. This year, we made huge progress in this area through our talent development programme and Equal Salary Certification.

FEMALE TALENT DEVELOPMENT

We launched the programme ConnectHER Talent Accelerator, to increase the number of women in the pipeline for senior-level positions (top 600). The first cohort was drawn from teams across Maisons, Regions and Group Functions.

EQUAL SALARY CERTIFICATION

Equal pay is a key measure for equity, reflecting our ethics and Group values. This year, we partnered with the EQUAL-SALARY Foundation, with the aim of reaching a 40% equal-salary-certified workforce by December 2022. While the approach is meaningful for all, our first move is to initiate a full review of three critical-size markets.

To advocate for people and human rights, Cartier launched the Equal Salary Certification initiative. Through this initiative, they want to confirm they pay their people equally, and investigate any situation requiring further reviews of HR practices and policies through their HR Diagnostics. Their goal is to reach 100% Equal Salary Certification by 2024.

Vacheron Constantin became the first Maison within the Group to earn the Equal Salary Certification. VC achieved the Equal Salary Certification in spring 2022.

ENABLING OUR REGIONS TO ACTIVATE THEIR LOCAL DEI APPROACH

To bring our DEI vision to life, we set up our Regions with DEI Leads. We also created a centralised information hub for DEI resources and the development of communication and training materials. Next year, we will focus on connecting with our Regions to listen and gather insights, which will help us to localise our understanding.

To contribute to our People pillar, the APAC Region's DEI Committee continued its efforts with many empowering campaigns throughout the year on topics around culture and ethnicity, generations and mindsets, disability, gender and LGBTQIA+.

Richemont Americas continued to define, explore and build awareness throughout the Region on crucial DEI topics. The target is to reach the population through training and offering DEI programming content. The Region is also working to integrate DEI into all aspects of the organisation, i.e. structures, systems and behaviours.

Cartier

The Cartier Women's Initiative is an annual international entrepreneurship programme which has supported, since 2006, 262 women changemakers hailing from 62 countries and has awarded a total of $6 440 000 in prize money to support their businesses. For its 15th anniversary, the programme has brought together its global community of impact leaders in Dubai to shine a light on women changemakers and to collectively shape the future of the programme, looking at ways to expend opportunities to more impact entrepreneurs around the world.

3. Supporting and protecting our people

Richemont is committed to the health & safety of its people.

Richemont remains committed to providing a healthy and safe workplace for its people, clients and communities. Central to this commitment is a strong health & safety culture throughout the organisation, where supporting our people is fundamental and aligned with our values.

The impact of COVID-19 brought new challenges (working from home, hygiene measures, PPE provision, and so on), to which we responded with adaptive controls and support mechanisms. We will continue to prioritise health & safety in 2022 and beyond.

PIAGET

Piaget's COVID response

In 2021 at Piaget, as the pandemic continued, employees' safety remained the main concern. Strict sanitary measures continued to be enforced and people were encouraged to work from home where possible. At the same time, Piaget established regular touch-points among teams to ensure collaboration and exchange, as well as providing managers and staff with in-house and external specialist support as necessary.

A. HEALTH & SAFETY PERFORMANCE *(GRI 403)*

Please find below some examples of achievements during 2021:

- Successful launch of our internally developed incident reporting and investigation tool enhancing data quality and accuracy
- Implementation of HSE legal compliance dashboards allowing global visibility of our compliance
- After COVID-19, measures have been established to help those returning to their workplace
- Zero work-related fatalities within Richemont
- 160+ HSE Representatives supported our people throughout the organisation
- 10 technical health & safety guidelines were produced for complex activities

B. HEALTH & SAFETY RISK CONTROL FRAMEWORK

A suitable health & safety risk control framework defines our expectations and gives clarity on how to implement a safe and healthy workplace. In 2021, we implemented a new online policy library to support both staff and HSE Representatives.

The new tool allows us to:

- Update our requirements in real time (not dependent on annual policy review)
- Focus on well-defined requirements for suitable business-wide hazard control, with clear roles and responsibilities
- Gain access via tablets and smart devices
- Consolidate all best practice documents into a single point for ease of access
- Link risks and business rules/activities
- Reduce the number of controls to improve focus and manageability
- Implement a clear exception governance process for when controls cannot be applied.

Our health & safety framework is built to the general requirements of relevant ISO standards, but without accreditation. Continuous improvement is essential to our risk control framework.

HEALTH & SAFETY INCIDENT REPORTING & INVESTIGATION

A new global online tool for the reporting of incidents and near misses was launched (ahead of schedule) in June 2021. Gathering feedback and requirements from our community, the new tool enabled more functionality and enhanced the user experience, to encourage its proper use and help to mitigate risks.

Additional functionality included:

- Fully digital, backed up and secure
- Interface customisation
- A 'one-stop shop' for reporting and investigating incidents, including root cause analysis and follow-up corrective action
- Notifications to multiple recipients (involved in an incident).

This year, we will continue to develop the tool, to improve:

- Simplification – easing the reporting process to encourage all employees to report incidents
- Mobilisation – allowing end users to report incidents on mobile devices
- Dashboards – giving users the freedom to customise data in a format that suits their needs.

Richemont's management of accidents and near misses, data quality and investigations are overseen by the Health & Safety function. As the reporting tool matures, we intend to enhance our proactive risk management to focus on the prevention of harm.

HEALTH & SAFETY PERFORMANCE MEASUREMENT

Using the data recorded in the calendar year 2021, the following calculations were made regarding our health & safety performance.

REPORTABLE INCIDENT RATE (RIR)

The RIR reported in 2021 was 0.487, representing 146 recordable incidents. Although this is a +20% increase on 2020 (when the RIR was 0.407), it is reasonable to believe the return to work increased the number of incidents reported. We responded to this increase by targeting accident causation factors with specific risk reduction initiatives.

(Note that RIR = [Number of OSHA recordable incidents *200 000]/total hours worked.)

Recordable incidents for OSHA [USA] are any work-related:

- Fatality
- Injury or illness that results in loss of consciousness, days away from work, restricted work or transfer to another job
- Diagnosed case of cancer or chronic, irreversible diseases
- Injury resulting in punctured eardrums or fractured/cracked bones or teeth
- Injury or illness requiring medical treatment beyond first aid.

LOST WORKDAYS (LWDS) AND LOST WORKDAY RATE (LWR)

1 551 LWDs were reported in 2021. This was an increase of +37% from the calendar year 2020 (which saw 1 133 LWDs). The LWR reported in 2021 was 5.17, showing a +32% increase (against 3.91 in 2020).

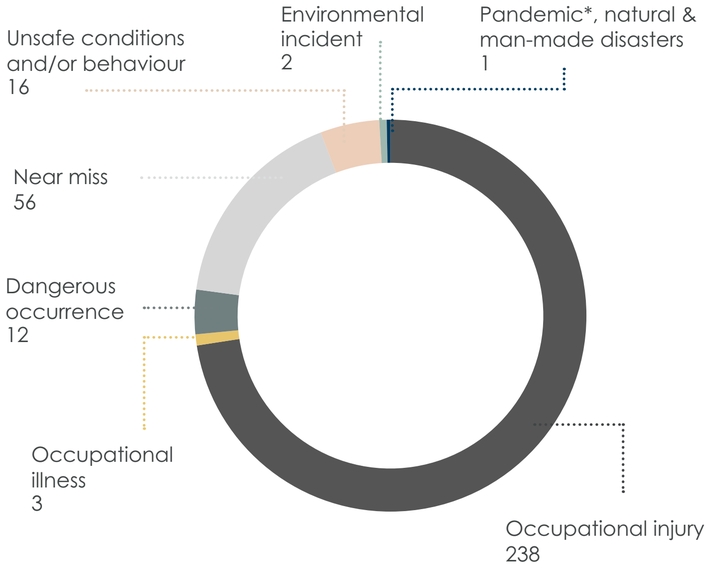
(Lost Workdays = total number of workdays lost because of an occupational injury or illness that results in the absence from work for more than 24 hours.

Lost Workday Rate = [Number of lost workdays *200 000]/total hours worked.)

HEALTH & SAFETY INCIDENT DATA BY CATEGORY

Our new incident reporting tool enables better visibility of our trends and incident categories, which allows us to target risk control measures. As the chart below indicates, occupational injury was our most frequent incident category. As a result, our health & safety experts analysed this, performed risk assessments and identified the appropriate corrective measures (with guidance documents, investigation quality, action follow-up, and so on).

▼ *Incident reports in 2021*



CHEMICAL HEALTH, SAFETY AND ENVIRONMENTAL RISK MANAGEMENT

We understand the risks associated with using hazardous chemicals for our people, communities and the environment. That is why we enhanced our risk control framework for chemical safety to improve our maturity in this important area.

ChemGuard, our chemical safety data tool, enables us to understand which chemicals are used and where, to provide users with vital safety and environmental information. ChemGuard captures and gives up-to-date access to chemical safety data sheets (i.e. critical information from chemical providers regarding their safe and appropriate use), of which there are now over 3 400. As the rollout for Richemont manufacturers continues (26 sites are integrated, 5 are in progress and 20 are yet to commence), planning is also underway for Customer Repair Centres during 2022.

In addition to the ChemGuard tool, we support users of hazardous chemicals with appropriate controls stored within our health & safety management system, and provide training on their proper use and disposal. As part of our assurance framework, third-party and internal health & safety compliance assessments include:

- Compliance with local legislation
- Undertaking suitable and sufficient risk assessments
- Appropriate risk mitigations.

Where hazardous chemicals are used in specialist activities, dedicated guidance documents are available to share best practice in risk mitigation, e.g. electroplating. More guidance for hazardous chemical activity is planned for 2022 (i.e. radium and tritium handling and the safety of lithium batteries).

LEGAL ASSURANCE & COMPLIANCE ASSESSMENTS

We continue to utilise a global HSE (health, safety and environment) legal compliance self-assessment tool. This third-party tool gives HSE Representatives access to relevant and new legislation according to country/ Region/state, and so on. Scorecards are completed to understand where gaps are present. Each entity is responsible for addressing any gaps, but Group HSE has oversight on all entities' compliance performance. Since the tool's implementation, 436 legal self-assessments have been conducted by Richemont entities.

Due to COVID-19 travel restrictions, three HSE compliance assessments were undertaken using Richemont's risk control framework. As the restrictions continue to be relaxed, eight further assessments are planned for the start of 2022.

FIRE PREVENTION

Although no fires caused harm to people in 2021, fire safety was nonetheless recognised as a priority. As part of our assurance activities, 14 fire risk surveys were completed at large sites. A further 22 additional fire prevention assessments were undertaken via a self-assessment checklist (due to travel restrictions). These assessments were based on industry best practices, and on our business and insurance risk management requirements.

We will be carrying out further fire prevention surveys in 2022, to proactively identify risks and develop risk management capabilities.

HEALTH & SAFETY TRAINING AND AWARENESS

In 2021, we provided our people with health & safety training/advice via our Group's learning management system. Our approach was to provide HSE training/advice by category so employees could choose the right learning for them, based on individual needs.

ACTIVATING OUR GLOBAL EMPLOYEE ASSISTANCE PROGRAMME & GLOBAL BUSINESS TRAVEL INSURANCE

Our people have access to a worldwide Employee Assistance Programme (WeCare – well-being and care for Richemont employees), provided by different partners. We received very positive feedback on this resource, which offers free and confidential support on work or personal matters. As you might expect, it was well used during the pandemic.

Our people are covered for safety, security and medical assistance while travelling for business. As business travel did not happen in 2020, the insurance service provided up-to-date information about restrictions and quarantine.

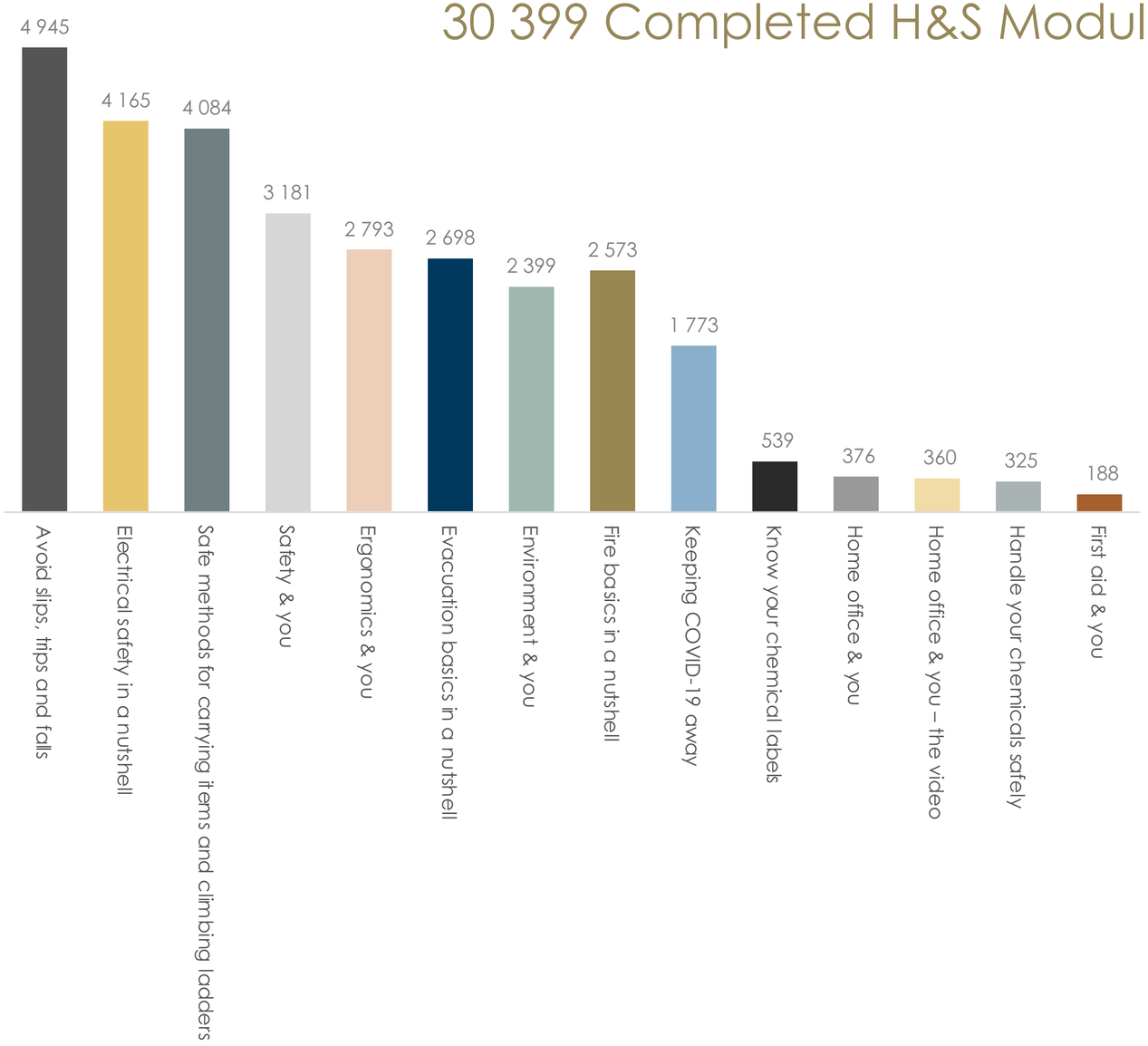
In addition to Group-led sessions, each entity undertakes training based on local legal requirements, risk assessment and business needs. We continue to develop HSE content based on risks identified through assessments, visits and changes in legislation.

SUPPORTING OUR PEOPLE DURING THE PANDEMIC

The global response to COVID-19 evolved in 2021, with the wider deployment of vaccines and hygiene-related controls. We supported our people by providing a flexible approach to risk management that addressed the day-to-day level of risk, as well as providing:

- Guidance on hygiene and ergonomic best practice for working from home/remotely
- Information about travel regarding local restrictions (where possible)
- Suitable PPE (Personal Protective Equipment). Over five million masks were provided to our people and their families.

30 399 Completed H&S Modules



A WORLD OF OPPORTUNITIES

A critical part of our People strategy is to offer a 'world of opportunities' to internal and external talent, paying particular attention to the diversity of skills and profiles to build an inclusive work environment and increase new hires.

AZ FACTORY

A world of opportunities

Honouring Alber Elbaz's vision to reset the way fashion operates, AZ Factory unveiled their new initiative, as a collective fashion laboratory and factory that bring together different talents to experiment and try new things.

Announcing their new direction at Palais Galliera during Paris Fashion Week, the Maison revealed that South African designer Thebe Magugu would be their first 'amigo' to design a product story for the brand.

Magugu was selected by AZ Factory to be among the 46 designers to create Elbaz-inspired looks for the 'Love Brings Love' tribute show staged during Paris Fashion Week 2021, and was the subject of an exhibition which opened on 5 March at the Palais Galliera in Paris.

To address the issue of education, Panerai launched a worldwide campaign among 100 of the best universities in the world to enlighten students on how a luxury brand can be a force for good for the planet due to its commitment to sustainability.

1. Fostering an attractive environment

CONNECTING WITH NEW GENERATIONS

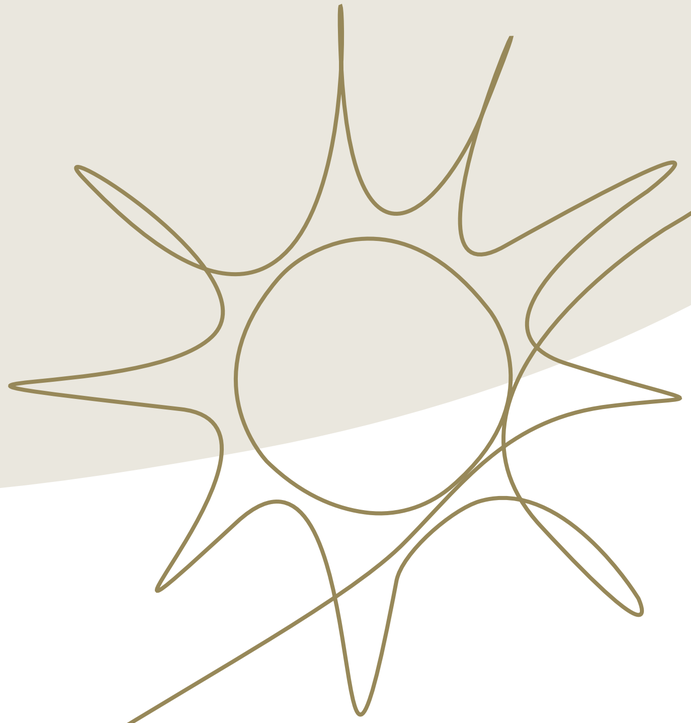
This year, we did a lot of work on university engagement. We currently partner with 80 universities across the fields of business, engineering, fashion, design and hospitality in each of our key markets.

We have continued our partnership with CEMS Global Alliance, a top-ranked 'master in management' that aims to prepare responsible global leaders and contribute to a more open, sustainable and inclusive world. This partnership brings together 34 top business schools across six different continents, alongside multinationals and NGOs.

This year, we also launched a new partnership with E4S, between EPFL, HEC UNIL and IMD, dedicated to helping society overcome its challenges and spearhead the transition to a more resilient, inclusive economy.

Richemont is a partner of the E4S programme, aimed at developing early career professionals to become highly skilled in rare competencies and gain knowledge simultaneously on technology and innovation, economics and management, and tools and skills for developing sustainable solutions.

We were also recognised as one of the World's Best Employers by Forbes in collaboration with Statista.



BEING RECOGNISED AS AN EMPLOYER OF CHOICE

Our efforts with young talent earned us the title of Most Attractive Employer in Universum's national rankings for Switzerland, France and China.

In 2021, IWC successfully renewed their certification from Great Place to Work® in Switzerland, demonstrating itself once again to be an attractive employer with a workplace culture of trust.

HRoot is China's leading human resources company, supporting more than 50 000 corporate clients, including +95% of Fortune 500 companies in China. In 2021, they recognised Richemont as one of the best employers in Greater China, due to our employee experience, career development opportunities, working conditions, and recognition and benefits.

Our China colleagues also won three awards from 51job and Liepin, two leading career sites in the country. 51job described us as an Employer of Excellence in Employee Care, and an overall top-100 employer, while Liepin recognised us as an Excellent Employer, highlighting fairness, development and values.

We were also recognised as one of the World's Best Employers by Forbes in collaboration with Statista. 150 000 full-time and part-time workers in 58 countries were asked to rate their willingness to recommend their employer to friends and family. Our rating proves the pride people feel about working for our Group.

2. Supporting an inclusive workplace culture

This year, we increased the support we offered to all employees, demonstrating our empathy in helping them navigate the current context.

Peter Millar held a number of webinars for employees focused on well-being, which included topics like emotional and financial wellness and healthcare planning.

ADOPTING AN AGILE WORKING POLICY

The pandemic taught us new ways to embody our values of empathy, collegiality and solidarity through the power of digital while working from home.

Though we acknowledged the importance of being together, of the human interactions that nurture our culture, it was important for us to show empathy to our people and offer flexibility to help them to find the right balance. That is why we introduced an Agile working framework, enabling office-based colleagues to work remotely from their country of residence up to 40% of the time.

The framework was deployed throughout the organisation – our colleagues now benefit from a flexible working arrangement.

For retail and manufacturing employees, we are supporting local initiatives to help provide a degree of flexibility that does not require them to always be on-site.

DEMONSTRATING CARING LEADERSHIP

"Following the outbreak of the COVID-19 pandemic, Richemont and its employees had to navigate a very volatile and uncertain environment.

True to our Richemont values, all employees demonstrated solidarity and empathy during this period. Each and every one of you made our successes possible. Thank you for your dedication and trust."

JOHANN RUPERT
Chairman

In March 2022, to recognise the tremendous efforts of our people during the pandemic, Group Management highly commended all colleagues, recognising their commitment under difficult circumstances, with an exceptional bonus.

DIGITAL TRANSFORMATION OF OUR HR PLATFORMS TO OFFER A SEAMLESS EXPERIENCE

In line with the accelerated pace of digitalisation across sectors and industries, we have continued to enhance our HR platforms, pursuing an employee-centric, digitally focused approach.

This year, we expanded the services provided by the platform MYSPOT, to grant our colleagues 'anytime, anywhere, any device' access to their personal information and documents.

The global Oxygen programme rollout simplified and professionalised our HR journey, improving the people experience and optimising HR resources.

The use of chatbots in the HR space has also been explored via pilots.

A JOURNEY OF BECOMING

The last key pillar of our People strategy focuses on developing a 'journey of becoming', enabling our colleagues at Richemont to develop further and embrace L&D (Learning & Development) initiatives.

This year, we invested a lot in revamping our digital L&D interface, and in developing specific content to better share who we are and what we do. Our efforts had a strong impact with an increased number of engaged learners, which helped improve the learning culture within our organisation.

1. Evolving our performance mindset

INTRODUCING MY PERFORMANCE JOURNEY

This year, we embarked on the evolution of a more mature, people-centric performance management model. My Performance Journey is the latest chapter of the Group-wide Performance Management Process, designed to support an agile, sustainable and high-performing culture, fit for a changing world.

The framework was co-designed with our people, by our people, in a collaborative business-HR taskforce that set out to rethink how we define, measure and manage performance.

My Performance Journey takes us from one annual review exercise to several core touchpoints throughout the year, centred on the two pillars of Performance and Development. Supported by ongoing feedback loops between managers and team members, the Performance Journey is intended to be progressive and empowering for our people.

This is an evolutionary change built on existing foundations, but modernised and adapted to our context, supported by a revamped digital tool. Change management with key stakeholders, Group-wide communication, a holistic learning strategy and dedicated toolkits will all support the shift in both mindset and practice.

Our vision for the Group performance management evolution is a high-performing culture that empowers us to support our business by better connecting colleagues to their development needs and recognising them for their achievements.

INVESTING IN OUR PEOPLE

We have continued our regular talent reviews and Career Committees to assess individual development plans and succession planning. For 2021/22, we revitalised our annual People Reviews, and focused our annual review on all colleagues to identify key talent and positions.

2. Accelerating on our learning culture

OVERALL LEARNING PERFORMANCE

Over the past year, our focus on education has resulted in 160 295 completed training records, which represents an almost 45% increase against the previous period. A total of 26 196 learners, representing 69.26% of the global headcount, have completed at least one training either online or in person.

The average number of training hours per learner was 6.31 hours. See the Data section in the appendix on the scope of measurement.

Not only did we see more hours of training per learner, the number of active learners also increased, allowing more Maisons to engage.

INTRODUCING NEW DIGITAL LEARNING CURATED CONTENT

This year, we evolved our digital learning landscape and introduced new learning resources to empower our people to upskill on multiple topics. We invested in digital learning content with new providers like LinkedIn and supported the development of specific curricula attached to business needs (e.g. Group technology and data) or to industry specificities (e.g. art and culture). These efforts resulted in increased engagement.

3. Supporting our people upskilling

NAVIGATING LUXURY NEW RETAIL BUSINESS TRANSFORMATION – EVOLVE IN PARTNERSHIP WITH IMD

A series of lectures were designed in partnership with IMD business school, to nurture our innovation culture and prepare our people to thrive. Season 1 focused on key elements impacting competitiveness in luxury, e.g. client experience, digital tools and technologies, and sustainability.

The programme received 3 864 registrations for the sessions and 2 006 attendees, and 462 certificates of completion were awarded. In addition to strong participation, we saw high buzz, engagement and appreciation, and a sense of genuine pride, with colleagues from around the Group sharing their certificates on LinkedIn.

Sustainability Learning Journey – Richemont Europe

This journey is available to all employees to ensure the same onboarding and basic understanding of both what sustainability means in our business and how it can support employees as individuals.

WATCHFINDER&Co.
THE PRE-OWNED WATCH SPECIALIST

Learning & Development Strategy

Watchfinder & Co.'s Learning & Development Strategy led to participation in several development programmes over the year, for strengthening leadership and management capabilities, IT and data skills, and professional qualifications. It continues to use the Richemont Learning Management System to build capability and nurture talent.

The new financial year will see the launch of a sales academy to develop a consistent, high-quality 'Watchfinder Way' approach to sales and service. This will support our ethos to provide a high-quality luxury service wherever our customers buy and sell from us in all our markets.

Watchfinder & Co.'s expansion continues to drive greater workforce diversity as it grows. A big focus is the rollout of unconscious bias training to increase diversity awareness. It will also launch a Mental Health First Aider programme, which will provide several on-site trained first aiders to proactively support mental health.

BUILDING OUR CROSS-CULTURAL AGILITY – CROSSING BOUNDARIES

A learning series was designed to enhance cross-cultural agility and leverage it as a pathway to better business. It focuses on building empathy and understanding of our clients from around the world, through recognising the challenges they navigate.

For the Regions, key focus areas include aligning local stakeholder expectations, providing localised action plans to achieve our targets and providing awareness and training depending on the local cultural context.

Edition 1 of Crossing Boundaries focused on China, offering our colleagues access to industry experts from academia, business, and market intelligence. The programme saw over 2 115 registrations, 1 463 completions and an extremely positive employee sentiment expressed through a feedback survey.

4. Transmitting our heritage and culture

ROOTS OF LUXURY

By understanding our own rich history and culture, we craft the future together. Throughout 2021, colleagues came together to explore the Roots of Luxury, a six-month programme designed to reinforce a sense of belonging by building an understanding of beauty and excellence.

A culture-enhancing enterprise, the programme was based on the pillars of Luxury, Excellence and Beauty, and offered to all of our people regardless of role or division. To truly immerse the learners, we gave them the chance to win an incredible prize. Three lucky winners were awarded VIP tickets to the Homo Faber Event 2022.

We have also provided lots of short, digital content, to keep our people engaged with /curious about luxury culture. A bespoke programme, A Mind of Luxury, allows them to travel through time to discover all kinds of things about the history of our industry.

A global competition with a quarterly learner leaderboard, social engagement and prizes all serve to celebrate the keenest learners who wish to engage with this theme. Together, we seek to better understand who we are, and what it takes to preserve luxury, beauty and excellence.

dunhill

Nurturing emerging talent

dunhill strive to create a more inclusive and sustainable future for young luxury professionals. All dunhill team members are given the opportunity to nurture emerging talent through engagement in department internship and mentorship programmes.

Reinstated in 2017, the dunhill X Central Saint Martin's Award, under the patronage of the Duke of Wellington, challenges aspiring designers to express their creative interpretation and unrestricted point of view for dunhill within a given context. The recipient of the Award is offered a three-month paid internship in the dunhill Creative Studio working with our senior designers.

A. LANGE & SÖHNE GLASHÜTTE I/SA

Heritage and culture

A. Lange & Söhne's commitment to upholding traditional craftsmanship and fostering young talent is exemplified by the annual apprenticeship programmes for watch and toolmakers and in the sponsorship of master craftsman training.

2022 marks the 25th anniversary of the A. Lange & Söhne watchmaker apprenticeship programme. Of utmost importance to our Maison's re-founder Walter Lange, the programme has trained more than 200 watchmakers since 1997, 3 of whom were named as Germany's best watchmaking apprentices. Further apprenticeship programmes will start giving young people opportunities beyond watchmaking.

Van Cleef & Arpels

Sharing and transmitting know-how

As a living heritage Maison with a long-standing commitment to the transmission of know-how in jewellery, Van Cleef & Arpels created *From Hands to Hands (De Mains en Mains)* in December 2021.

Participants from local schools explored different areas of craftsmanship and know-how, working alongside our jewellery experts. The event was organised with the help of L'École des Arts Joailliers, the French National Education, several schools of jewellery training and different associations such as L'Institut Télémaque.

In 2021, the Maison strengthened their commitment to creation in the field of dance with Dance Reflections by Van Cleef & Arpels, an initiative which supports dance companies and institutions.

Worldwide, Van Cleef & Arpels continue to support educational and craftsmanship programmes including the Guggenheim Poet-in-Residence, the TASK and the Kanazawa College of Art, the UMUT in Japan, Youth Inc. and ASTEP in the USA, YEOL in Korea, and the Middle East Emergent Designer Prize in Dubai.

LOOKING AHEAD

Helping our business and people sustainably reach their potential together

Our priorities remain solidarity and empathy, to help our people feel supported, empowered and part of an organisation driven by the ambition to create long-term value for customers, colleagues, partners, investors and the wider society.

Looking ahead, staying connected will continue to be important. We will do this by listening to our people and enabling them to develop relationships. Defining and embracing diversity will be another strong focus.

We commit to empowering our people to adapt to a fast-changing environment.

In the upcoming year, we will home in on:

A SENSE OF BELONGING:

- **Improve diversity**
  Share our DEI vision, focus on strategic projects, and support our Regions to develop their framework and build more equity within Richemont.
- **Benefits and well-being**
  Enhance our personalised and caring approach.
- **Onboarding/reboarding**
  Improve new starters' experiences by supporting them through change, fostering a sense of pride, enabling them to connect and setting them up for success.

A WORLD OF OPPORTUNITIES:

- **Talent acquisition**
  Articulate our employer value proposition to attract external talent, while building a diverse and skilled workforce.
- **Internal talent mobility**
  Continue to offer equal opportunities to our internal colleagues in a transparent way, empowering them to own their careers, enabled by our digital platform.
- **Retention**
  Create mutual commitments for a sustainable relationship.

A JOURNEY OF BECOMING:

- **Performance**
  Create the conditions for a high-performing organisation.
- **Learning culture**
  Provide customised learning opportunities to allow our people to keep up with our business needs and activate our Luxury New Retail journey.

All our priorities will be enabled by our emerging People Analytics capabilities and Digital HR ecosystem.

Top management are expected to lead their teams through this transformation, supported by a development programme. They will be rewarded for their ability to create long-term value for the Group. And their performance will be measured on financial and non-financial KPIs, covering people, brand equity, customer centricity and sustainability.

Helping our business and people sustainably reach their potential together is our main ambition. We look forward to being on that journey with you. Everyone needs to get on board if we are going to continue to evolve.

WATCHFINDER&Co.
THE PRE-OWNED WATCH SPECIALIST

To support its passion for giving back to local communities, and to meet the demands created by skills shortages, Watchfinder & Co. have extended their apprenticeship portfolio by offering apprenticeship programmes in new professions.

This growth in apprenticeships will be developed further over the coming year by the decision to bring its management in-house. Watchfinder & Co. will become a watchmaker apprenticeship provider that delivers first-class, hands-on training from its Kings Hill offices in Kent.

VACHERON CONSTANTIN

True to their long-standing tradition of preserving and passing on unique skills, and their passion for craftsmanship, Vacheron Constantin are committed to enhancing the employability of their people and to supporting professional integration in the wider community.

Their apprenticeship training programme provides a highly qualitative and specialised development journey to several young watchmakers each year, by building a solid technical background and offering them their first work experience. The Maison are also collaborating closely with the Ecole des Métiers et Artisans de Haute Horlogerie in Geneva to support the training of young professionals.

Beyond watchmaking skills, Vacheron Constantin are focused on ensuring lifelong learning opportunities to their people as digitisation of the workplace and fast-changing trends require constant upskilling. In that respect, several initiatives were conducted, for example providing all their employees with access to their digital training platform, enabling work from home or promoting online collaboration through social enterprise networks.

As of 2020, the Maison have extended their work in this area by launching a long-term philanthropic partnership with an NGO based in Switzerland which promotes the professional integration of vulnerable groups. Vacheron Constantin's contribution allows out-of-school teenagers or adults with special needs to (re-)integrate into the workplace through a specific coaching programme and a network of businesses offering internships and apprenticeships. The Maison themselves promote employment integration by offering jobs or traineeships to differently abled colleagues, for example in their production department. Similar initiatives are being deployed outside Switzerland.

YOOX NET-A-PORTER continue to evolve and create talent incubator programmes that support emerging and diverse designers, bringing them into the business to learn from internal expert teams and help them build their careers in the fashion and luxury industry, as part of their People Positive focus area within Infinity.

THE MODERN ARTISAN

In October 2021, during pre-COP 26 in Milan, YOOX NET-A-PORTER launched the second edition of The Modern Artisan project, its flagship talent programme, in partnership with The Prince's Foundation.

Eight emerging artisans were selected from the UK and Italy to embark on the charitable training initiative that will guide them to design, craft and bring to market in 2022 a sustainable luxury collection on NET-A-PORTER and YOOX.

NET-A-PORTER – THE VANGUARD

NET-A-PORTER's The Vanguard annual mentorship has gone from strength to strength, onboarding six designers who will be supported as their Class of 2021, and announcing The Vanguard Education Fund, an initiative to help shape the future of the fashion industry. In partnership with the British Fashion Council, The Vanguard Education Fund will see NET-A-PORTER engage with a network of universities to encourage more diverse talent and help students as they embark on their professional journeys in the industry.

MR PORTER FUTURES

MR PORTER launched FUTURES, their inaugural global designer mentorship programme, which will guide three menswear designers through the process of designing, manufacturing and delivering their very own responsible collections that will debut exclusively on MR PORTER in 2022.

VOGUE YOOX CHALLENGE

In the second year of the VOGUE YOOX Challenge, a competition for start-ups or designers investing in responsible fashion or design, YOOX announced its 2021 winner – Orange Fiber – which earned prize money and mentorship support to help the company continue developing innovative materials solutions.

Vision for 2025:
Create opportunities and reduce inequalities for girls and women.

Chloé's KPIs for communities

OBJECTIVES FOR 2021:

- **KPI 1: 30 000 girls to be impacted by the Girls Forward initiative between Chloé and UNICEF**
  In 2019, we initiated Girls Forward, a four-year partnership with UNICEF to provide girls with skills to advance in the workplace through education, entrepreneurship and training programmes in five countries (Bolivia, Jordan, Morocco, Senegal and Tajikistan). More than 31 000 girls benefited from the Girls Forward initiative in collaboration with UNICEF.
- **KPI 2: 0.23% of revenue to be donated to initiatives promoting gender equality**
  We reached 0.26%, with a global donation of €1.1 million, including emergency donations to the UNHCR for Afghanistan and Ukraine.
- **KPI 3: 3 social entrepreneurs to be included in Chloé's key visibility moments so they can share their message with a wider audience, strengthening the idea of 'people helping people'**
  We have shared the spotlight on 10 social projects in line with Chloé's mission – to weave purpose to business endeavours and alleviate the hardship of others – through our product offering and communications. For example, for the Autumn/Winter 2021 collection, we collaborated with Sheltersuit, an NGO that provides direct protection against cold and rain for homeless people through multifunctional clothing. Chloé and Sheltersuit co-created a backpack on the principle that every backpack sold would finance the production of two Sheltersuits. This enabled the production of 1 100 Sheltersuits, distributed in France with Agir pour la Santé des Femmes, Utopia 56 and SAMU Social between November 2021 and February 2022.

  For the Spring/Summer 2022 Show, the gift was a box of Caran d'Ache pencils and a donation to Agir pour la Santé des Femmes to organise art therapy workshops for female victims of violence in France.

COMMUNITIES

Our overarching goal for the Communities focus area is to positively impact the people within the communities we touch through our Group, our Maisons, our Regions and our entities. Our communities are those in our supply chains and those we support through our initiatives.

We are committed to uplifting the communities we operate across, those that are most meaningful to our employees and those communities who need it most. Across the world, our Maisons, Regions and entities focus their efforts on:

- Providing support to our communities in ways that align with our Maisons' values and support Richemont's key investment themes
- Collaborating with partners and measuring the impact of our programmes. Encouraging our people to volunteer in local communities.

We firmly believe in working towards a smarter, safer and happier planet.

Through our Maisons and businesses, the Group continuously strives to contribute to health, well-being and sustainable economic development.

> At Richemont, our strength does not lie in our similarities but in the rich diversity of our arts, cultures and human skills, as well as in our dedication to positive impact on society through our Maisons, businesses, foundations and people.
>
> We care for the world we live in today and preserving its future. Richemont's 'Movement for Better Luxury' demonstrates our long-standing commitment to conducting business responsibly, helping to create a positive impact for the many stakeholders involved in our value chain. We believe that success is achieved together, in an ethical and sustainable manner, with emphasis placed on the camaraderie between colleagues.
>
> GROUP PR TEAM

OUR CONTRIBUTION TO COMMUNITIES AROUND THE WORLD

Our community investment support is primarily delivered in four ways:

1
Strategic Philanthropy

Richemont's financial support to registered charities, foundations and community partners to create longer-term change on key societal issues.

2
Charitable Donations

One-off financial donations to specific charitable causes and organisations.

3
Charitable (non-commercial) Sponsorship

Support of an event, activity, person or organisation financially or through the provision of products or services. For example, Richemont frequently supports arts and cultural events.

4
Employee Volunteering

Richemont employees can dedicate their time in working hours to support local communities through our employee volunteering programme.

In addition, we also sometimes contribute through the following:

ADVOCACY

Working with others to support a specific public campaign or social cause.

CAUSE-RELATED MARKETING

Marketing initiatives which involve a connection to a societal cause and cooperative efforts of a non-profit organisation for mutual benefit.

GIFTS IN KIND

Donations of Richemont's products, services and facilities to charitable organisations.

GIVING

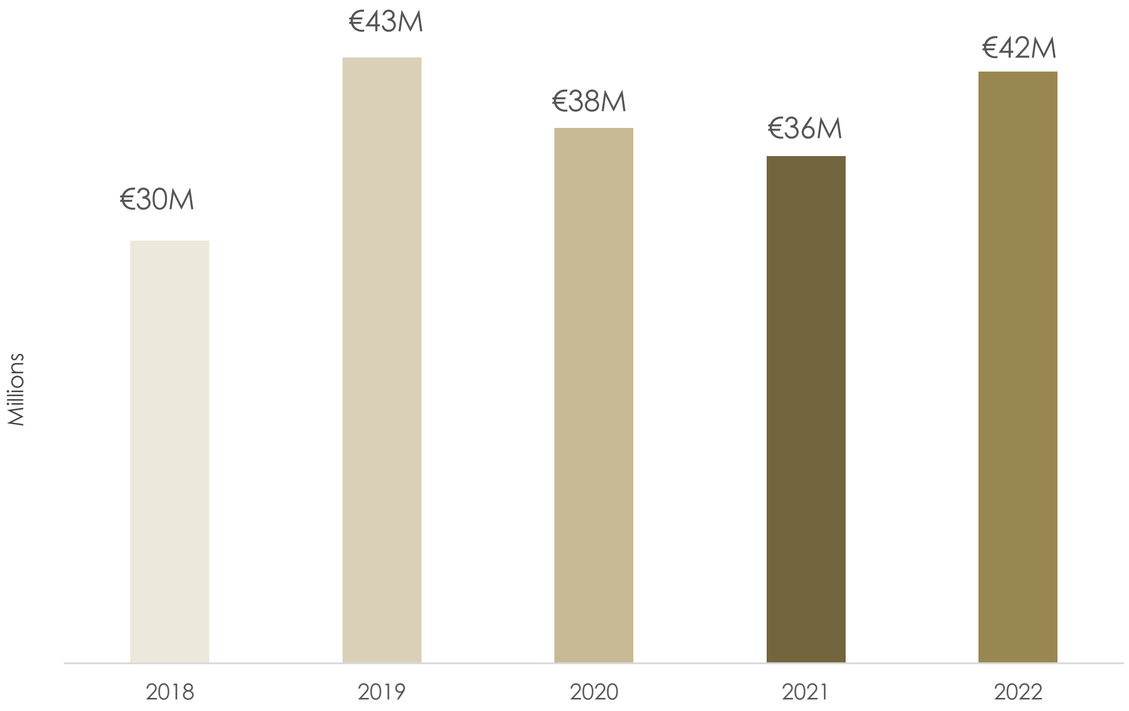
Our long-standing focus on giving back to communities through social impact initiatives is a priority for the Group and its Maisons. In the calendar year 2021, our donations to community investment-related initiatives reached a total of over €42 million, an 18% year-on-year increase and 1.2% of our profit before taxes.

In five years, Richemont has increased meaningful giving by 40%.

86% of community spend takes the form of cash donations. The remaining 14% is in the form of in-kind donations.

Our beneficiaries include charities concerned with healthcare, social and economic development, education, women's welfare, and children, to name but a few.

Richemont does not seek to influence public policy through our charitable donations.



▲ *Five-year donation evolution*

Aligned to our objective of preserving the arts, craftsmanship and creativity, 25% of donations were made to Culture & Heritage.

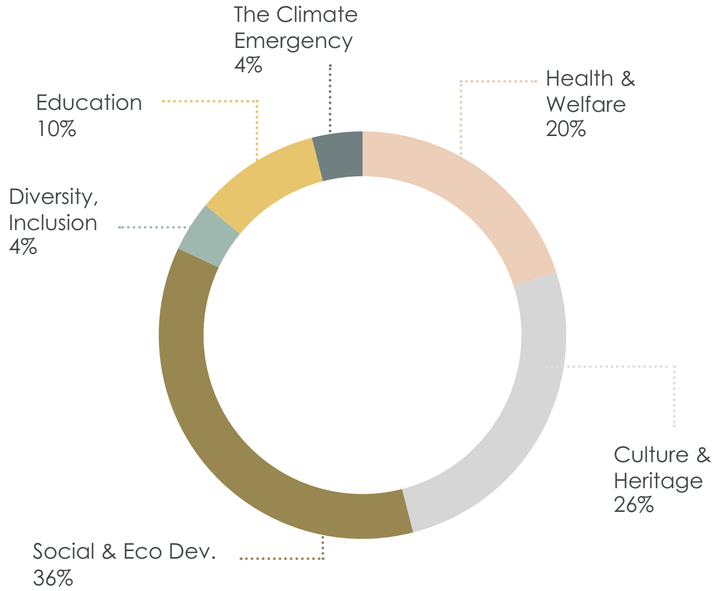
GROUP GIVING CATEGORIES

Of the €42 million, the most significant donations were made towards Social & Economic Development (36% of our donations) and Health & Welfare (20% of our donations), which demonstratates our ongoing commitment to supporting our communities through and beyond the global health crises affecting our world today.

Culture & Heritage (representing 26% of our donations) reaffirms our Group position and desire to preserve the arts, craftmanship and creativity of the past, present and future.

Last year, due to the COVID-19 pandemic, our most significant contributions were towards Social & Economic Development (38.5% of our donations) and Health & Welfare initiatives (36%).

▼ *Community investment donation split 2021*



ROGER DUBUIS

Roger Dubuis partner with associations aligned with our DNA, to foster the connection with local communities, for example the Make-A-Wish Foundation, which they support by helping to give vulnerable children and their families much-needed relief.

PETER MILLAR

Peter Millar are supporting local charities like First Tee and Note in the Pocket. First Tee aims to positively affect the lives of young people by providing education programmes that build character, instil life-enhancing values and promote healthy choices through the game of golf. Note in the Pocket provides clothing to impoverished and homeless schoolchildren in the Raleigh, NC area to ensure children are not limited in their educational and social development because they don't have appropriate clothes for school.

During the pandemic, Peter Millar also established a partnership with the Dovetail Project, an organisation whose mission is to give young African American and Hispanic fathers aged 17–24 the skills and support they need to become better parents and men in their communities. The Maison contributed both clothing and monetary donations towards this cause.

PIAGET

Barefoot College

In 2021, we continued our partnership with Barefoot College, with a project aimed at educating and empowering women in remote communities to become solar engineers, thereby contributing to community-level energy production and promoting gender equality.

We also partnered with Arcenciel in the NOUR initiative to support Beirut following the devastating explosion of 2020. The proceeds of 30 limited edition Possession Pendants in the Middle East were used to provide devices of solar energy or education support for 1 000 families affected by the blast.

CHARITABLE INVOLVEMENT THROUGH VOLUNTEERING

For our Maisons and employees, building strong relationships with our communities and volunteering for charitable causes is integral to the way in which we operate and thrive.

Volunteering is a significant part of Richemont's Group culture. We encourage a greater focus on giving back to the community and supporting those who need it most both locally as well as engaging in virtual volunteering globally.

During 2021, the Group deployed a worldwide policy to ensure a minimum of 1 working day (8 hours) per employee per year to volunteer (with certain Maisons and markets offering more), with the aim to encourage even more local volunteering initiatives, while allowing for more collaboration between employees from different Maisons and functions. Our belief is that volunteering significantly contributes to creating more awareness around topics affecting communities and, at the same time, increases purpose-driven activities and engagement levels of our colleagues.

In 2021, our employees around the world contributed a combined 9 242 hours of their time to volunteering initiatives.

In comparison, last year, we spent 2 940 hours volunteering towards community-related initiatives. This was due to the various pandemic restrictions which recommended that people stay indoors, socially isolate, quarantine, maintain their distance, and so forth. Many volunteering opportunities were therefore not available or, more importantly, safe to engage in both for our employees and for vulnerable people around us.

REGION VOLUNTEER DAYS

The CSR and Human Resources Teams from Richemont Americas have come together to create Volunteer Days, a new way for full-time permanent employees to take two paid days off annually to volunteer at their non-profit/501(c)(3) of choice. Volunteer Days is the cornerstone of the Together Volunteer Framework, which focuses on expanding in-person volunteering across the Region, and virtual skill-based volunteering with local partners.

In line with the Group Volunteering policy, Richemont Asia Pacific introduced one day of volunteering leave for all employees and encouraged them to continue their efforts through community programmes outside working hours.

Employees have contributed their time through various activities, including an Earth Day charity sale in Taiwan, China; COVID-19 relief and charity efforts in Thailand and Malaysia; and a beach clean-up in Hong Kong SAR, China, which helped collect almost 900kg of waste.

PANERAI

Encouraging volunteering

Panerai encourages their employees to contribute to communities, too. Centred on the People pillar, the Do It Together initiative promotes employee participation in volunteering. The Maison also organise plastic collection days to contribute to ocean clean-up activities.

LOOKING AHEAD

Our Group has a long-standing history of giving back to causes close to our Founder's values and related to the crafts we honour and preserve. On our journey to create luxury products in a more sustainable and responsible way, and generate a greater positive impact for all stakeholders involved in our value chain, we have started to reflect on our Communities strategy. On our path towards the 5-year Transformational targets, the Group has refined and built out its purpose, vision and direction beyond the parameters of business. In order to build upon this foundation, we will develop an overarching strategy for our focus area building upon the Group Values.

FOUNDATIONS

At Group level, we continue to support a number of charitable foundations.

The following section includes details of foundations, some of which we have founded or co-founded (*).

FONDATION CARTIER POUR L'ART CONTEMPORAIN*

Founded in 1984, the Fondation Cartier pour l'art contemporain is a unique example of corporate philanthropy in France. The Foundation is committed to bringing contemporary art to the largest audience possible, stimulating curiosity by promoting young artists/unveiling works by established artists, and commissioning work to enrich its expansive collection.

FONDAZIONE COLOGNI MESTIERI D'ARTE*

Founded in 1995 to protect and promote the heritage of master craftsmanship throughout Italy, the Cologni Foundation for the Métiers d'Art supports and carries out a number of cultural, scientific and educational programmes to encourage the preservation of outstanding crafts in the future.

MONTBLANC CULTURAL FOUNDATION*

Founded in 1992, the Montblanc Cultural Foundation sponsors contemporary art, young theatre and classical music worldwide. Core initiatives include:

- Montblanc de la Culture Arts Patronage Award, which has honoured close to 300 patrons in 17 countries during the past 26 years.
- Montblanc Art Collection, which has supported over 170 artists with more than 200 artworks, by commissioning them to create new pieces.
- Under the umbrella of the Montblanc Leave Your Mark campaign, the Cultural Foundation is also committed to supporting NGOs and institutions, by providing writing education in communities.

PEACE PARKS FOUNDATION

The Peace Parks Foundation's dream is to reconnect Africa's wild spaces to create a future for people in harmony with nature. In order to achieve its vision of 'Restoring Tomorrow' for life on earth, the Foundation works to renew and preserve large, functional ecosystems that stretch across international boundaries through the establishment of transfrontier conservation areas. In this way, it safeguards the integrity of biological diversity, whilst protecting and regenerating vital natural resources and cultural heritage. At the same time, the Foundation contributes to the development of shared economic benefits and poverty alleviation by harnessing the potential for ecotourism development to provide sustainable economic growth, and fosters community engagement initiatives for those living in and around the conservation areas.

FONDATION DE LA HAUTE HORLOGERIE*

A not-for-profit foundation set up under private law by Audemars Piguet, Girard-Perregaux and Richemont in 2005, the objective of the Fondation de la Haute Horlogerie (FHH) is to promote and spread the reputation of watchmaking excellence around the world. It provides information on the latest news, history and skills within the watchmaking professions, and trains, assesses and certifies horological knowledge. It organises large-scale events for both the public and professionals. A creator of content, competencies, connections and experiences, the FHH is supported by 41 partner brands.

CARTIER PHILANTHROPY*

Cartier Philanthropy is a grant-making foundation that works to improve the lives of the most vulnerable communities in the world's lowest income regions. It supports impact-driven initiatives that provide children and their families with access to basic services, promotes women's social and economic development, enhances poor people's ability to make a living and delivers humanitarian assistance that saves lives and relieves suffering in times of crisis.

In 10 years, the foundation has supported over 80 partner organisations in over 50 countries, addressing the multiple challenges of poverty and driving long-term positive change.

MICHELANGELO FOUNDATION FOR CREATIVITY AND CRAFTSMANSHIP*

Created in 2016, this international non-profit organisation celebrates and preserves master craftsmanship and its connection with the world of design. It aims to help people rediscover the ability of the human hand to create, and support those doing it best.

FONDATION AZZEDINE ALAÏA*

Founded in 2007, the Fondation Azzedine Alaïa aims to preserve and showcase the work of Azzedine Alaïa, and the many examples of art, fashion and design he collected over his lifetime. The Foundation also fulfils an educational mandate through collaborations with fashion schools and institutions.

LAUREUS*

Laureus harnesses the power of sport to promote social change and celebrates sporting excellence. It comprises the:

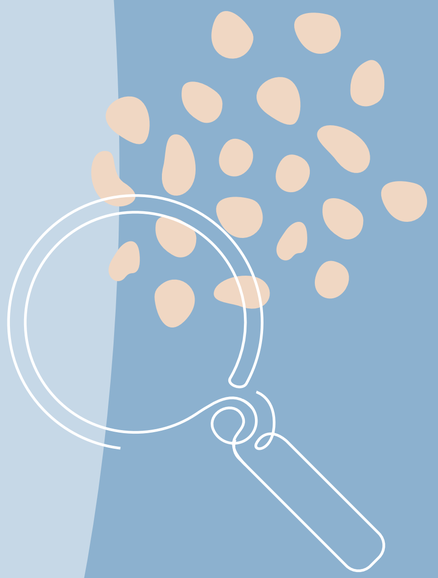
- Laureus World Sports Academy
- Laureus Sport for Good Foundation
- Laureus World Sports Awards.

Heritage

As a traditional Saxon watchmaker, A. Lange & Söhne are committed to preserving the cultural heritage of their homeland. Since 2006, the company have been a dedicated sponsor of the Dresden State Art Collections, an organisation comprising 15 museums and 4 institutions. In 2021, Lange's support enabled the largest German Vermeer exhibition to date – 'Johannes Vermeer. On Reflection' – and the outstanding restoration of his painting 'Girl Reading a Letter at an Open Window', which has been part of the Dresden Zwinger collection for more than two centuries.

The Maison's commitment to the preservation of traditional craftsmanship is also reflected in their support of the Fondazione Cologni Mestieri d'Arte, a private non-profit organisation which aims to promote artistic crafts and rescue the Métiers d'Art from the threat of extinction.

REFINING OUR GOVERNANCE



Each year, we refine our governance processes to ensure they still work for us and can fuel the level of change we need to become a truly sustainable business.

Governance informs decisions around things like:

- Capital allocation
- Profitable growth
- Positive environmental and social impacts
- Risk management

Through a combination of governance and capital, we leverage change within our operations, supply chains and the wider industry, and through collaborative partnerships. We do not yet know if our efforts will be successful, but we are certainly committed to reaching our 2025 milestones and our longer-term SDGs.

Governance highlights during the year include:

- The first full year of the Board of Directors' Governance and Sustainability Committee, including the appointment to the Board of Jasmine Whitbread, the Committee's new Chair;
- The appointment of our first Chief Sustainability Officer
- Business and Human Rights evaluations for the entire Group
- Revisions to the Supplier Code of Conduct, bringing it in line with best practices.

GOVERNANCE AND RISK MANAGEMENT

GRI 1-2, 1-5.2, 1-8

The Board of Directors is responsible for the overall strategic direction of the Group, capital allocation and the appointment of senior management. The Corporate Governance Report in the 2022 Annual Report contains an extensive description of the related mechanisms.

Regarding risk management, Richemont gives consideration to strategic and operational risks across all Group Functions, including specific ESG risks like sourcing, and more general reputational and perception risks associated with sustainability. These risks are reviewed annually by the Board and reflected in our materiality assessment. We seek to eliminate or mitigate identified risks in partnership with our colleagues and other stakeholders through the application of responsible business practices.

POLICIES, CODES AND STANDARDS

Our activities are guided by a common framework that reflects our values. The framework includes our Corporate Responsibility Policy, as well as codes of conduct for employees and suppliers, collectively known as 'the Codes'. Our Transformational Strategy provides an overarching framework, together with detailed commitments and targets, which helps our managers, employees and suppliers to understand our expectations.

The section below on Sustainable Operations describes how these policies are embedded in our operations.

During the year, the Supplier Code of Conduct and the Standards of Business Conduct were substantially revised. The changes reflect evolving best practice regarding human rights, Speak Up and related matters.

▲ *The Codes which guide our actions*

STAKEHOLDER ENGAGEMENT/MANAGEMENT

Our approach to stakeholder engagement/management is cross-cutting. It encompasses each of our focus areas, our footprint and our handprint, and is key to achieving our transformational commitments.

Key stakeholder groups, their interests and how we regularly engage with them is presented in detail in the Appendix. But here are two brief examples of engagement, with our customers and investors:

- Our Maisons' customers are not just interested in the beauty and excellence of our products, they also want to know about the origins of raw materials. Through regular customer surveys and other forms of feedback, we are understanding more and more about the level of detail they expect us to provide.
- Similarly, our investors are not only interested in things like our strategy and financial performance. They also want to know how we embed sustainability into our operations, including responsible sourcing, and create a diverse and inclusive work environment.

We learn more about investors' concerns through roadshows, and conferences, and surveys we receive from them. This level of engagement inspires greater transparency, and the use of frameworks like GRI and SASB.

These stakeholders were identified through our regular stakeholder prioritisation exercise, most recently conducted in 2021/22. The results of the exercise guide our strategy and the focus of our annual reporting process.

PARTNER ORGANISATIONS

GRI 102-13, 102-13

While Richemont has its own set of high standards and metrics, we also believe collaborating with partners on sustainability benefits all concerned (i.e. the partnership, stakeholders and supply chain actors). Through collaboration, we refine and leverage good governance practices and implement our transformational commitments.

Here are some examples of key partnerships and their impacts. See also the Foundations listed in the Social Handprint chapter, under Communities.

Van Cleef & Arpels

RJC COC certification

In 2021, Van Cleef & Arpels' jewellery and watchmaking workshops passed the audits for RJC COC certification. This certification is a first step towards VCA's goal to offer jewellery and timepieces made from fully traceable components.

TOWARDS 100%-CERTIFIED GOLD

We aspire to source traceable gold across our entire supply chain.

94% OF OUR JEWELLERY & SPECIALIST WATCHMAKER MAISONS, INCLUDING MONTBLANC WATCHES AND MANUFACTURING COMPETENCE CENTRES, ARE RJC COP-CERTIFIED.

RESPONSIBLE JEWELLERY COUNCIL

Established in 2005 with Cartier as one of the founding members, the RJC promotes responsible and ethical social and environmental practices throughout the precious minerals supply chain. Partnership is central to its ways of working, and to its belief in a better, fairer world.

We worked closely with the RJC, developing on its certification standards, Code of Practices and Chain of Custody, until March 2022.

THE RJC CODE OF PRACTICES

The COP certification system applies to all businesses in the precious minerals supply chain. The scope of the COP covers:

- General requirements
- Responsible supply chains, human rights and due diligence
- Labour rights and working conditions
- Health, safety and environment
- Product disclosure
- The responsible mining sector.

All commercial members of the RJC are audited by third-party auditors to verify their compliance with the COP.

FEDERATION OF THE SWISS WATCH INDUSTRY

For legislation related to the 'Swiss-made' label (specific to watches) and general 'Swissness' standards.

FRENCH UNION OF JEWELLERY, SILVERWARE, STONES AND PEARLS

Cartier and Van Cleef & Arpels are members of the UFBJOP, which promotes jewellery know-how and manufacturing in France.

INTERNATIONAL CROCODILIAN FARMERS ASSOCIATION

We became members of the ICFA, a standard-setting organisation for crocodilian welfare, in April 2021.

JEWELERS OF AMERICA

Cartier are a Board member of Jewelers of America, the trade association for retail jewellers in the USA. Through their Ethical Initiatives Committee, they lead the debate on sustainability within the industry.

LEATHER WORKING GROUP

We joined the Leather Working Group in April 2021. A not-for-profit overseeing environmental certification for the leather manufacturing industry, the LWG has over 1 000 members across the leather supply chain.

SWISS BETTER GOLD

The SBG facilitates artisanal and small-scale gold mine access to international markets, and encourages progress towards better social and environmental conditions. Find out more about the SBG in our chapter on our social handprint.

PARTNERSHIP FOR PRODUCT SOCIAL IMPACT ASSESSMENT

The PSIA comprises a group of companies committed to improving the lives of workers and communities by measuring the social impact of services and products. We became a member in 2021. Find out more about the PSIA in our chapter on our social handprint.

TRANSNATIONAL ALLIANCE TO COMBAT ILLICIT TRADE

TRACIT is a private sector initiative that mitigates the damage caused by illicit trade, by strengthening government enforcement mechanisms and integrating supply chain controls across sectors.

Drawing from industry strengths and market experience, it builds habits of cooperation between business, government and a diverse group of countries with limited capacity for regulatory enforcement. We are proud to partner with TRACIT and mirror their stance against illicit trade, which weakens the sustainability of our industry and dilutes our contribution to achieving the SDGs.

UNITED NATIONS GLOBAL COMPACT

The UNGC is the world's largest responsible business organisation. Richemont has been involved with its work since 2013, and serves on the Board of its Swiss Network. Read our annual Communication on Progress, in line with UNGC requirements. The network promotes the SDG Action Manager tool, a guide for corporations working to achieve the Global Goals.

PETER MILLAR

In order to verify recycled materials, Peter Millar complete documentation from suppliers, including GRS certification documents from the fibre supplier and GRS certification and Transaction Certification documents from the fabric supplier.

Our two-pack performance socks from the Autumn season are locally produced and use the equivalent of three post-consumer polyethylene terephthalate (PET) bottles per pack.

The entire manufacturing process from bottles to socks covers around 320 miles. This product helps to reduce the negative impacts of plastics on the environment and reduces the carbon footprint of the supply chain.

BUSINESS ETHICS: PUBLIC POLICIES

GRI 102-16

Business ethics are fundamental to our culture, operations and business models. They are an essential part of our Ways of Working, Codes and the systems we use throughout the Group (e.g. Learning and Development tools, internal and external audit services, and a systematic 'separation of duties').

For more on business ethics, see the Speak Up Platform section of the Social Handprint chapter.

Anti-bribery and corruption

Our Codes state our clear opposition to all forms of bribery and corruption. That is why each year, through our Learning Management System, we remind our people of our Speak Up procedures, Codes and Business Conduct Standards. In this way, they know they are safe to report suspicions of inappropriate, unethical or illegal behaviour.

All concerns raised in FY2022 were addressed in accordance with our Speak Up Policy and procedures, including those raised by partners and suppliers. We measure compliance with our Codes through two channels:

- **Suppliers**
  The Maisons organise risk-based audits, assisted by the Group.
- **Employees**
  Speak Up procedures are integral to Maison induction training, and refreshed for our people each year.

In FY22, 145 Speak Up cases were recorded (similar to 144 in calendar year 2020). The cases were reported from 18 different countries, proof of our procedures' widespread use. The kinds of issues reported included:

- Employment matters
- Fraud allegations (retail transactions and conflicts of interest)
- Discrimination, bullying and harassment
- Non-compliance with commercial company procedures.

Each incident was recorded and looked into, with roughly half of all reported cases requiring further investigation. We continuously learn from the reporting of these incidents, and adapt our business practices accordingly.

Currently, we do not conduct audits of our ethical standards. But our internal audit function considers conflicts of interest and related matters as part of its reporting cycle, and our Standards of Business Conduct were recently revised.

The latest edition includes a review of existing reporting systems, including how anonymity is handled in certain jurisdictions. To ensure impartiality, our reporting system is overseen by the Head of Internal Audit, who is independent from management and reports to the Chair of the Audit Committee.

Anti-counterfeiting

Creativity, innovation and craftsmanship are core values we share with our customers. That is why we seek to protect them from the sale of counterfeit goods, and to safeguard the intellectual property of our Maisons. Counterfeits not only undermine the livelihoods of the men and women creating and producing authentic goods, they also seek to deceive customers.

Working with customs, police and administrative authorities all around the world, we organise raids and seizures to limit the spread of fake goods and send a strong message to pirates and counterfeiters. We are also committed to a programme of civil enforcement via strategic litigation, to further highlight the issue and act as a deterrent.

Collaboration with Maisons and their local platforms is essential to combating the problem. And, with more and more of our business moving online, digital protection and enforcement are becoming increasingly important.

Each year, on and offline, we remove a large number of fake products from circulation. If you think you've seen counterfeit products that infringe on our creative rights, please report them or email anti-counterfeiting.

Many of our Maisons are members of the Federation of the Swiss Watch Industry, which is active in the field of anti-counterfeiting via public campaigns to raise awareness of the criminal networks responsible for fake goods.

We are also a member of the Transnational Alliance to Combat Illicit Trade, an independent, private sector initiative that mitigates the economic and social damages of illicit trade.

AURA BLOCKCHAIN CONSORTIUM

Cartier (mandated by Richemont), Prada Group and LVMH launched in April 2021 the Aura Blockchain Consortium. OTB and Van Cleef & Arpels have since joined.

The Aura Blockchain Consortium makes it possible for consumers to access product history and prove the authenticity of luxury goods – from sourcing to sales, all the way to second-hand markets. Using blockchain technology to address solutions to common issues, like counterfeiting and unethical sourcing, the Consortium is the most sustainable solution for luxury brands on the market.

This solution also addresses the shared challenges of communicating authenticity, responsible sourcing and sustainability in a secure digital format. Open to all luxury brands worldwide, Aura aims to provide consumers with additional transparency and traceability.

WHAT MAKES AURA MORE SUSTAINABLE?

"Environmental sustainability has been a key value of the Aura project since the beginning, and it supports an important technological choice."

Dr Daniela Ott, Aura Secretary General

The Consortium provides one of the most sustainable private blockchains in the world. It uses the same amount of electricity as a lightbulb on for six minutes, and runs on Microsoft Azure, which has been carbon neutral since 2012.

Aura aim to use 100% renewable energy by 2025, and be carbon negative by 2030 (i.e. clean more carbon than they emit). We are founding members of their Sustainability Committee, which meets each week to discuss environmental issues like blockchain sustainability, gemstone traceability and responsible sourcing.

"Sustainable luxury without technology doesn't make sense."

DR BÉRANGÈRE RUCHAT
Chief Sustainability Officer

Product Advertising and Labelling

Our Maisons advertise their products through a range of media channels, and we monitor their compliance with local advertising and product labelling laws. We found no instance of non-compliance in 2021. This level of compliance reflects our continuous efforts to be truthful, accurate and balanced in all of our marketing, advertising and labelling. We seek to exclude any content which would be judged offensive, based on prevailing standards of decency. Moreover, we have internal guidelines to avoid unsubstantiated environmental claims.

Data Protection and Cybersecurity

Our comprehensive data protection strategy aims to:

- Achieve compliance with global data protection and privacy laws
- Provide a secure online environment for our people and customers
- Protect Group assets and operations against cyber-attacks, data breaches, and so on.

The strategy is overseen by our Strategic Security Committee, which aims to protect our assets, including confidential business information, intellectual property and operations against intrusive actions. It also safeguards our people and physical assets.

GLOBAL DATA PRIVACY POLICY AND COMPLIANCE PROGRAMMES

Our Global Data Privacy Policy incorporates the requirements of the General Data Protection Regulation (GDPR) and other global laws and regulations. The GDPR is designed to standardise data protection and privacy laws across Europe, to protect and empower all EU citizens with respect to their personal data, and to reshape the way organisations approach data protection and privacy.

Our Policy defines how we process the personal data of our people, clients, partners and stakeholders. A mandatory eLearning module explains the Policy's importance to our employees. For those who regularly process data in their roles, two specialist modules were devised.

To further underscore our commitment to data security, a network of Privacy Representatives has been established across all functions of our business.

USER CONSENT, DISCLOSURES AND DATA SHARING

We communicate clearly to all people whose data we hold what it is used for and how it is processed. The point at which we need to make this clear depends on how the data was gathered (i.e. directly or via third parties).

We are committed to obtaining data through lawful and transparent means, with the explicit consent of the data subject. We only process personal data for the purpose we collected it for and any third-party companies we work with are subject to robust contracts and the terms of our Privacy Policy.

DATA SUBJECT RIGHTS AND BREACH NOTIFICATIONS

We have clear and accessible mechanisms that allow people to raise concerns about data privacy. They can also access, amend or erase their data. In the event of an actual or suspected breach of security, leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data, we have effective processes in place, if required under law, to notify data subjects and/or privacy regulators.

Information Management System and Compliance

Our 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. Our business partners are also subject to robust security assessments and, where necessary, compliance audits. All our suppliers know about these standards and what they mean for them (e.g. taking part in audits if contractually obliged). We also carry out regular privacy risk assessments on technology and practices affecting user data. Board members responsible for our cybersecurity strategy have the appropriate skills and experience required to carry out their roles effectively.

HOW SUSTAINABILITY IS GOVERNED

GOVERNANCE AND SUSTAINABILITY COMMITTEE

In March 2021, the Board established a Governance and Sustainability Committee, to help establish and review ESG strategies, policies and guidelines. The Committee acts as an advisory to the Board on:

- The oversight and approval of proposals regarding CO_2 targets, climate change and biodiversity
- The management proposals on diversity, equity and inclusion, human and workplace rights, and positive social impacts for supply chains and communities
- ESG or sustainability-related amendments to strategic plans
- Disclosures in the annual Sustainability Report regarding SBTs and diversity, equity and inclusion.

The Committee comprises four independent non-executive directors:

JASMINE WHITBREAD

Committee Chair from March 2022

CLAY BRENDISH

Former Committee Chair and Lead Independent Board Director

WENDY LUHABE

Social entrepreneur and economic activist

GUILLAUME PICTET

Member of the Audit Committee

AND TWO EXTERNAL ADVISORS TO FACILITATE REVIEWS OF CERTAIN SPECIFIC MATTERS:

- Benjamin Firmenich, an impact finance specialist
- Sandra Macleod, an expert witness on reputation and an international leader in communication research

The Committee met four times in 2021 and reviewed the progress of a wide range of matters, e.g.:

- SBTs
- Coloured gemstone supply chains
- Enterprise Risk Management
- Speak Up reporting
- Supplier Code of Conduct
- Human rights
- DEI
- Disclosures.

These reviews, and the appointment of a Chief Sustainability Officer, underscore our commitment to our transformational agenda.

GROUP CSR COMMITTEE

Responsibility/accountability for the management of sustainability lies with the Group Chief Finance Officer (CFO). The CFO is a member of the Board of Directors and the Senior Executive Committee. He regularly liaises with Maison Chief Executive Officers (CEOs), Function and Regional Heads, and reports directly to the Board of Directors on CSR/sustainability matters.

The CFO is supported by the:

- Chief Sustainability Officer (as of February 2022)
- Group's CSR function
- Group's CSR Committee.

The Committee has established terms of reference and meets at least four times a year to:

- Review progress of the Group's Transformational CSR Strategy
- Agree activities to support relevant programmes by focus area.

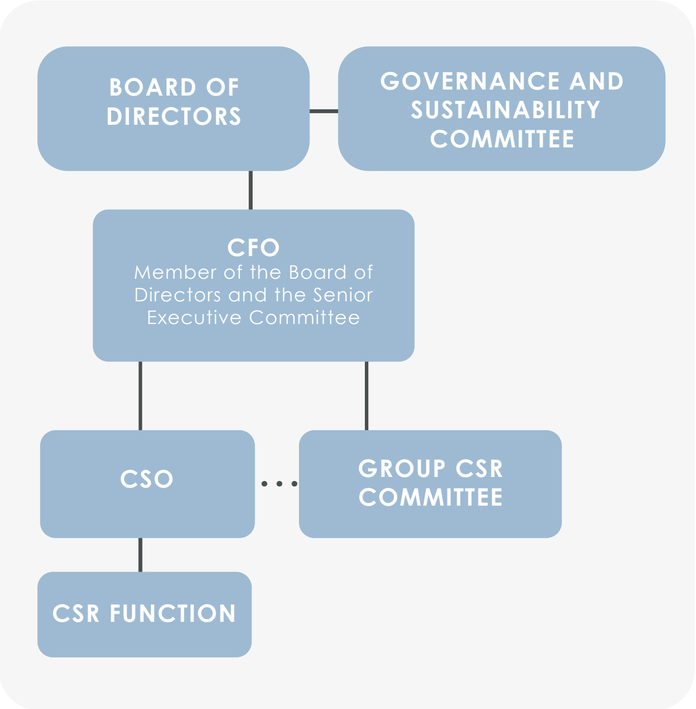
Membership of the Group CSR Committee at 31 March 2022 is shown in the Appendix.

The Board's Governance and Sustainability Committee receives the minutes of each Group CSR Committee meeting.

The Group CSR Committee has a number of working groups comprising Committee members and other specialists. Those working groups include environment, social impact and communications. See the diagram to the right for a summary.

Transparency in reporting and communications with external stakeholders is an important part of building trust and embedding our sustainability processes. We aim to do this by:

- Regularly reviewing our reporting style and content to ensure it meets our stakeholders' changing expectations. In recent years, we disclosed our Transformational Strategy's medium-term qualitative and quantitative targets and our performance to date
- Enhancing product transparency and the traceability of precious materials
- Adopting SASB Indices
- Moving our reporting focus from the four Focus areas towards Environment, Social and Governance themes
- Describing our Annotated Disclosure Dashboard (ADD) tool in the 2021 report
- Using independent assurance and subsequent management letters as instruments of governance. Further information about our Enterprise Risk Management is included in our 2022 Governance Report.



"I believe in the power of business to make a positive difference in our world. Richemont has a strong commitment to sustainability and I feel privileged to be chairing the Governance and Sustainability Committee at this exciting time, as we set out and strengthen our ESG agenda to maximise our potential impact."

Jasmine Whitbread, Chair, Governance and Sustainability Committee

GOVERNANCE AT OUR MAISONS

PIAGET

To turn commitment into action more effectively throughout the organisation, Piaget strengthened their sustainability governance last year by expanding their Sustainability Committee to include key business functions. The new Committee, chaired by Piaget's CEO, meets at least three times a year and reports to the Maison Executive Team.

ROGER DUBUIS

Since 2020, our Executive Committee has been supported by the Young Advisory Committee, a shadow board comprised of young people elected from Roger Dubuis Tribe. The YAC's mission is to provide the EC with the perspective of younger generations, while challenging and influencing its decisions.

dunhill

In 2021, dunhill enhanced their ambition to build a more inclusive and sustainable future for luxury by increasing executive team engagement on ESG-related initiatives. Chaired by dunhill's CEO, the newly appointed Sustainability Committee ensures the implementation of Richemont's strategy across the business and increases overall accountability.

This reporting model puts sustainability at the top of the priority list for senior leaders, by ensuring operational goals are aligned with Richemont's social and environmental aims.

dunhill also recognise the power of working in partnership with external collaborators whose sustainability ambitions are in line with ours, in order to effect real change. These partnerships include:

- Walpole's Sustainability Working Groups
- Leather Working Group
- The Fashion Minority Report
- Barnardo's.

YOOX NET-A-PORTER GROUP

YOOX NET-A-PORTER continued to expand their responsible product edits throughout 2021. They introduced for the first time to MR PORTER and THE OUTNET new edits focused on responsible business practices, which build on NET SUSTAIN at NET-A-PORTER and YOOXYGEN at YOOX.

MR PORTER launched Craftsmanship Code, a curated selection of products made by brands which go beyond MR PORTER's existing high standards, by investing in local communities and implementing environmental and social best practices.

Brands are required to pass an additional assessment to meet the foundational principle of putting people and planet first, as well as one of the Code's six guiding attributes:

- Heritage Craft
- Future Craft
- Made to Last Longer
- Made Locally
- Made with High Standards of Animal Welfare
- Made from Considered Materials.

THE OUTNET launched their Considered Badge and partnered with the leading ethical ratings platform Good On You to identify more responsible brands and products for its customers, and to create a more informative shopping journey.

The new Considered Badge highlights brands and products aligned with at least one of THE OUTNET's key considered attributes:

- Recycled Materials
- Lower-impact Materials
- Organic Materials
- Considered Processes
- Upcycled
- Rated by Good On You.

SUSTAINABLE OPERATIONS

GRI 102-14

OUR COMMITMENT *(GRI 102-9)*

We are committed to:

- Responsible sourcing
- Ensuring the integrity of our products
- Respecting responsible business practices, human and workers' rights, and the environment.

We will continue to work with industry organisations and our business partners to promote best practice across the full supply chain.

Our long-term goal is the traceability of all raw materials used in our products. We understand many of the associated challenges and work closely with suppliers and partners to achieve this objective.

Our Maisons commit to revealing the exceptional, spreading culture and beauty into the world, and Richemont supports them in this objective with responsibly sourced precious materials. Richemont is committed to having the most responsible, sustainable and transparent value chain in the industry. Therefore, we are further investing in resources and expanding our competences to reduce our environmental footprint and amplify our social handprint.

KARLHEINZ BAUMANN
Group Industry and Services Director

HOW WE SOURCE AND PROCURE

GRI 102-11, 102-16

Our Maisons and operating companies procure a large range of goods and services from suppliers, which broadly falls into the following categories:

Direct sourcing

- The raw materials/components in our products, like gold and other precious metals, diamonds, gemstones and leather.

Indirect procurement

- Goods and services that support the day-to-day running of our business, like energy, manufacturing supplies, office equipment, logistics, communications and marketing materials.

THE GROUP HAS A NUMBER OF POLICIES RELEVANT TO RESPONSIBLE SOURCING:

- Group Procurement Policy
- Richemont Supplier Code of Conduct
- Richemont Raw Materials Sourcing Policy.

EACH MAISON AND OPERATING COMPANY IS RESPONSIBLE FOR:

- Its own procurement
- Selecting and qualifying suppliers
- Ensuring all procurement activities are ethical and deliver positive ESG impacts.

FOR CERTAIN GOODS AND SERVICES, GROUP FUNCTIONS WORK WITH MAISONS AND OPERATING COMPANIES TO:

- Select and manage Group-wide suppliers and their sustainability impacts (e.g. media buying, technology or logistics). Gold purchases are centralised via Varinor, the Group's metal refiner.
- Coordinate sourcing and procurement to support the implementation of good practice (e.g. by conducting risk analyses, mapping supply chains or auditing suppliers).

RESPONSIBLE AND SUSTAINABLE PROCUREMENT

GRI 102-12

We manage responsible and sustainable procurement through:

- Group-wide policies, initiatives and tools applicable to all spend categories (like our Group Procurement Policy and Supplier Code of Conduct).
- Initiatives focused on high-risk supply chains like gold, diamond and leather, with the aim of establishing greater control and increased overall transparency.

TRANSPARENCY

To fulfil our commitments and increase sustainability, we will improve transparency at all levels of our supply chains.

We define transparency as the capacity to identify all actors in our supply chain. This is the starting point for our risk analysis, which aims to determine whether they comply with our Code. These efforts will be based on improved due diligence processes, starting with Tier 1 suppliers. Our goal is to support them as they deploy the same approach for their Tier 1 (our Tier 2), and so on.

SUPPLIER CODE OF CONDUCT *(GRI 102-16)*

Our Supplier Code of Conduct sets out our requirements for labour and human rights, and the environment. It also addresses industry issues like the responsible sourcing of gold and diamonds, animal testing and the preservation of endangered and protected species. It references several international standards, as well as the SDGs. See the full Supplier Code of Conduct for more details.

TOPIC	METRIC	2025 TARGET	PROGRESS AT 31 MARCH 2022
SUPPLIER CODE OF CONDUCT			
Supplier Code of Conduct signed*	% of purchased value from suppliers that signed the Code or provided an equivalent commitment	80%	71%
Supplier Code of Conduct signed – watches and jewellery**	% of suppliers that have signed the Code**	80%	87%
Supplier Code of Conduct signed – leather*	% of purchased value from suppliers that signed the Code	100%	84%
Supplier Code of Conduct signed – marketing material*	% of purchased value from suppliers that signed the Code or provided an equivalent commitment	90%	84%

**Based on roughly 70% of our global spend for the calendar year 2021.*

***Based on calendar year 2021. Out of the remaining 13% suppliers, 56% are not required to sign the Supplier Code of Conduct as annual spending is small.*

COMPLIANCE AND SUPPLIER THIRD-PARTY AUDITS

(GRI 414-2)

The verification of compliance with our suppliers follows a risk-based approach, rooted in constant dialogue.

Suppliers of gold, diamond products and coloured gemstones are encouraged to be certified members of the RJC.

Suppliers out of RJC scope, like leather suppliers, are regularly audited by third parties. We aim to source our raw materials from fully transparent supply chains in alignment with our Code.

This year, we became a member of Sedex. We will use the platform to improve the management and tracking of audit results/corrective actions, in parallel with SMETA methodologies.

In 2021, 217 supplier audits were conducted. 56% of these used the SMETA audit referential. The remaining 44% used other referentials, mainly Richemont referential, or standard referential provided by auditors. We target to progressively increase the usage of SMETA as our primary audit referential for suppliers of indirect goods and materials.

We make sure our suppliers comply with the requirements of our Code through third-party audits and through certification, particularly the RJC Code of Practices.

As most of the watches and jewellery suppliers are RJC-certified and have already undergone an audit, we only needed to conduct eight supplier audits in 2021.

Total number of supplier audits in 2021

217
CSR audits

56%
SMETA as audit referential

Richemont conducted audits on Tier 1 and Tier 2 leather suppliers:

SUPPLIER AUDITS ON LEATHER			
MATERIALITY	**METRIC**	**2025 TARGET**	**PROGRESS AT 31 MARCH 2022**
Leather	% of Tier 1 suppliers covered by CSR audits	100%	88%
Leather	% of Tier 2 suppliers covered by CSR audits	100%	70%

Leather audits were split into 2 categories:

91
CSR total audits

72
SMETA as audit referential

19
Richemont audit referential

STATUS ON PACKAGING			
MATERIALITY	**METRIC**	**2025 TARGET**	**PROGRESS AT 31 MARCH 2022**
Packaging	% of physical sites audited, in value	90%	83%

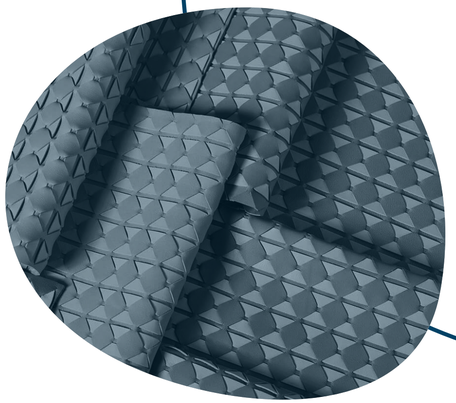
PACKAGING AND POINT OF SALES MATERIALS

Significant efforts are made to develop and source packaging and point of sales materials responsibly, and reduce their sustainability impacts.

The Group is organising regular procurement forums to bring our Maisons and businesses together and enable the sharing of best practice, to drive continuous improvement.

To better secure the relevant supply chains, we are working to map all production sites, to ensure they operate responsibly, in compliance with our Supplier Code of Conduct.

Furthermore we are conducting supplier audits and follow-up on continuous improvement actions.



dunhill

Launched in November 2021, our new retail paper packaging is defined by a sleek, understated aesthetic. The bespoke Ultra Black packaging is made from a minimum of 40% PCW, is 100% recyclable and uses FSC-certified renewable fibres. Removing plastic lamination, our packaging is finished with a compostable varnish to ensure performance, durability and reuse.

ENDNOTES

1 Specifically, we used the 2021 Defra conversion factors to convert our Scope 1, Scope 2 (Calorific Network) and part of our Scope 3 (business travel, fuel and energy-related emissions, waste, employee commuting, and transportation and distribution) activity data to emission numbers. For Scope 2 market-based emissions, we use AIB conversion factors for Europe, green-e conversion factors for North America and IEA conversion factors for the rest of the world. For the remaining Scope 3 categories, we mainly use emissions factors based on Life Cycle Assessments (LCAs) available in ecoinvent (latest version 3.8), the World Apparel & Footwear Database, and the ADEME Base Carbone (latest version 21). For product raw materials, we are developing our own emissions factors specific to our key supply chains through LCAs. When validated, the emission factor resulting from an LCA is integrated within the Group's carbon footprint calculation.

2 Intensity is expressed as GEVA, or GHG emissions (G) per unit of EVA. The formulation of EVA is set by the SBTi and reflects EBITDA plus personnel costs (wages, social security costs, employee benefits and pension costs). The SBTi requires GEVA to be expressed in USD. Note that only the emissions related to purchased goods and services, and business travel are included in the GEVA intensity calculation. Deducted from those two categories are the emissions targeted for supplier engagement. Accordingly, Richemont's baseline 2019 intensity emissions were 822 824 tCO_2e and GEVA was 125 tCO_2e/$m.

3 Primary data is data from specific activities within a company's value chain directly from suppliers, including utility bills, engineering models, EPDs, mass/energy balances.

4 See UNGP 11.

5 https://www.ohchr.org/EN/Issues/Business/Pages/SustainableDevelopmentGoals.aspx

6 UNGP 1.

7 The remaining 30% is going equally to a technical assistance fund and to administrative costs.

8 See Goedkoop et al., 2020. Product Social Impact Assessment Handbook 2020 (version 5.0).

ANNEXES

ENVIRONMENTAL PERFORMANCE

▼ *GROUP FOOTPRINT BY SEGMENT AND BY SCOPE GRI 305-1, 305-2, 305-3*

$ktCO_2e$	SCOPE 1	SCOPE 2	SCOPE 3	TOTAL CY 2021	TOTAL CY 2020
Jewellery Maisons	2	2	522	527	314*
Specialist Watchmakers	3	1	169	173	133*
Online Distributors	1	1	433	435	326
Fashion & Accessories	1	2	322	324	217
Corporate	6	1	120	127	102
TOTAL	**13**	**7**	**1 566**	**1 586**	**1 092***

**Restated figure*

▼ *GROUP YEARLY FOOTPRINT BY SCOPE AND CATEGORIES GRI 305-1, 305-2, 305-3*

$ktCO_2e$	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021
TOTAL	**179.0**	**280.7**	**1 380.9**	**1 092.4***	**1 586.2**
Scope 1	13.4	19.5	15.9	11.3	13.3
Scope 2	55.3	58.5	44.3	5.7	6.6
Scope 3, detailed below	110.3	202.7	1 320.7	1 075.4*	1 566.2
SCOPE 3 PER CALCULATED CATEGORY					
Purchased goods & services	NA	NA	958.1	773.7*	1 272.2
Capital goods	NA	NA	72.2	122.1	70.8
Fuel and energy-related activities	NA	NA	12.9	10.7	18.2
Upstream transportation & distribution	59.7	153.6	159.7	122.3	150.8
Waste generated in operations	NA	NA	5.1	2.1	3.2
Business travel	50.6	49.1	53.8	9.1	10.5
Employee commuting	NA	NA	32.5	8.6	8.5
End-of-life	NA	NA	4.2	3.4	8.5
Franchises	NA	NA	22.1	23.2	23.5

**Restated figure*

ENERGY PERFORMANCE

▼ *ENERGY GRI 302-1, 302-3*

GWh	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021
Direct energy consumption	33	34	36	36	44
Indirect energy consumption	203	237	245	216	230
TOTAL ENERGY CONSUMPTION	**236**	**271**	**281**	**253**	**274**
Energy intensity (Energy use per sales)	0.021	0.019	0.020	0.019	0.014

'Direct energy' is defined by the GHG Protocol as, "Emissions from sources that are owned or controlled by the organisation." The energy permormance tables are excluding company vehicles energy. And, indirect energy, as, "Emissions from the consumption of purchased electricity, steam, or other sources of energy generated upstream from the organisation."

▼ *DIRECT ENERGY USE BY SOURCE GRI 302-1*

MWh	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021
Fuel	5 843	5 997	5 083	3 837	4 556
Natural gas	26 049	26 698	28 547	28 906	25 039
Biogas	N/A	N/A	N/A	N/A	7523
LPG	0	0	0	0	1 303
Total non-renewable direct energy	**31 892**	**32 695**	**33 629**	**32 743**	**38 422**
Self-generated solar	826	1 311	1 640	1 336	1 234
Biomass	0	0	0	0	0
Geothermal	N/A	N/A	N/A	N/A	3 782
Other	0	0	248	2 201	393
Total renewable direct energy	826	1 311	1 889	3 537	5 409
TOTAL DIRECT ENERGY	**32 719**	**34 007**	**35 518**	**36 280**	**43 831**

ENERGY PERFORMANCE *CONTINUED*

▼ *INDIRECT ENERGY USE BY SOURCE GRI 302-1*

GWh	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021
Electricity	197	229	238	207	224
Calorific network	6	7	7	9	6
Indirect renewable energy	113	138	152	195	206
TOTAL INDIRECT ENERGY	**203**	**237**	**245**	**216**	**230**

▼ *INDIRECT ENERGY SOLD GRI 302-1*

GWh	CY 2017	CY 2018	CY 2019	CY 2020	CY 2021
Sold solar electricity	N/A	N/A	N/A	N/A	0.3

WASTE

▼ *WASTE QUANTITY BY TYPE GRI 306-3*

WEIGHT (TONNES)	CY 2020	CY2021
Battery	1	2
Cardboard	6 037	5 947
Clothing	N/A	5
Construction waste	N/A	18
Domestic waste	4 915	9 157
Food waste	124	116
Glass (Mineral waste)	27	29
Green waste	91	66
Metal incl. precious	198	300
Other plastic	208	266
Paper	1 295	1 077
PET	6	6
PVC	N/A	1
SIW (Special Industrial Waste)	2 480	2 471
WEEE (Waste Electrical and Electronic)	28	46
Wood	N/A	510

▼ *WASTE QUANTITY BY DISPOSAL METHOD GRI 306-4, 306-5*

WEIGHT (TONNES)	CY 2020	CY2021
Recovery/Recycling	4 792	6 065
Landfill disposal	1 947	2 227
Incineration	847	1 353
Composting	122	92
Undefined	806	3 102
Extrapolated	6 896	7 176
TOTAL	**15 411**	**20 015**

WATER

▼ *WATER WITHDRAWAL GRI 303-3*

m^3	CY 2019	CY 2020	CY 2021
Municipal water	621 049	537 565	1 600 930
Ground water	364 656	122 471	3 331
TOTAL WATER WITHDRAWAL	**985 705**	**660 035**	**1 604 261**
Water intensity (water use per sales)	69	50	84

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

▼ *THE FOLLOWING TABLE PRESENTS THE TCFD RECOMMENDATIONS AND RICHEMONT'S CORRESPONDING DISCLOSURES.*

'Annual Report 2021' refers to Richemont's Annual Report and Accounts 2021.
'CDP 2021' refers to Richemont's CDP Climate Change Response 2021.
'Sust. Rep. 2022' refers to Richemont's Sustainability Report 2022.

TCFD RECOMMENDATIONS		
THEME AREA	**RECOMMENDED DISCLOSURES**	**HOW WE ENGAGE AND FREQUENCY (#)**
GOVERNANCE	a. Description of the Board's oversight of climate-related risks and opportunities.	• CDP 2021: C1.1, C1.1a, C1.1b, C1.1d, C1.2, C1.2a • Sust. Rep. 2022: Reporting on material issues; Governance and risk management; How sustainability is governed
	b. Description of management's role in assessing and managing climate-related risks and opportunities.	• CDP 2021: C1.2, C1.2a, C1.3, C1.3a, C2.1, C2.2, C2.2a, • Sust. Rep. 2022: How sustainability is governed; Acting on climate change; Governance and risk management; Refining our governance
STRATEGY	a. Description of the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	• CDP 2021: C2.1a, C2.2, C2.3a, C2.4a • Sust. Rep. 2022: Reporting on material issues; Acting on climate change; Controlling greenhouse gas emissions; Minimising waste; Protecting water; Real estate projects; Biodiversity
	b. Description of the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	• CDP 2021: C2.3, C2.3a, C2.4, C2.4a, C3.3, C3.4 • Sust. Rep. 2022: Reporting on material issues
	c. Description of the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	• CDP 2021: C2.4a, C3.1, C3.2, C3.3 • Sust. Rep. 2022: Controlling greenhouse gas emissions

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES *CONTINUED*

▼ *THE FOLLOWING TABLE PRESENTS THE TCFD RECOMMENDATIONS AND RICHEMONT'S CORRESPONDING DISCLOSURES.*

'Annual Report 2021' refers to Richemont's Annual Report and Accounts 2021.
'CDP 2021' refers to Richemont's CDP Climate Change Response 2021.
'Sust. Rep. 2022' refers to Richemont's Sustainability Report 2022.

TCFD RECOMMENDATIONS		
THEME AREA	**RECOMMENDED DISCLOSURES**	**HOW WE ENGAGE AND FREQUENCY (#)**
RISK MANAGEMENT	a. Description of the organisation's processes for identifying and assessing climate-related risks.	• CDP 2021: C1.2a, C2.1, C2.2, C2.2a, C2.3 • Annual Report 2021: CSR Chapter • Sust. Rep. 2022: Reporting on material issues; Driving climate-positive decisions, Governance and risk management
	b. Description of the organisation's processes for managing climate-related risks.	• CDP 2021: C1.2a, C2.1, C2.2, C2.3a • Sust. Rep. 2022: Governance and risk management; Driving climate-positive decisions, Responsible and sustainable procurement
	c. Description of the processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	• CDP 2021: C1.2a, C2.2, C2.2a, C2.3a, C2.4a • Sust. Rep. 2022: Reporting on material issues; Driving climate-positive decisions; Sustainable operations; Responsible and sustainable procurement
METRICS AND TARGETS	a. Disclosure of the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	> CDP 2021: C1.3, C2.3a, C2.5, C4, C5, C6, C7, C8, C9, C11 > Sust. Rep. 2022: Acting on climate change; Controlling greenhouse gas emissions; Waste generated in operations, Minimising waste, Protecting water
	b. Disclosure of Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	> CDP 2021: C5, C6, C7 > Sust. Rep. 2022: Controlling greenhouse gas emissions
	c. Description of the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	> CDP 2021: C4 > Sust. Rep. 2022: Targets and 2021 performance

SCOPE 3 EXCLUDED CATEGORIES

KEY ISSUES OF INTEREST
• **Upstream leased assets:** Properties leased to companies within the tertiary sector represent less than 0.005% of Richemont's total revenues, and no change is forecast for the next five years. The business model remains asset light for capital allocation purposes.
• **Downstream transportation and distribution:** Customer transportation to and from stores that is neither paid for nor organised by Richemont is not included in the inventory and is negligible compared to the rest of the freight.
• **Processing of sold products:** Richemont sells a few components to other watchmakers, but the energy impact is insignificant. No additional manufacturing infrastructure relating to this is forecast in the next five years.
• **Use of sold products:** More than 80% of goods sold are fine jewellery and watches, which require either no climate-impacting after-sales servicing or technical handcraft servicing. For fashion and textiles either sold by our Maisons or through our online distributors, the emissions linked to the energy of apparel (e.g. washing machines) remains a reporting option, according to GHG protocol methodology.
• **Downstream leased assets:** Richemont does not own assets leased downstream in its value chain, and no change is forecast for the next five years. The business model remains asset light for capital allocation purposes.
• **Investments:** Richemont's investments into companies where Richemont does not have financial control represent less than 1% of total Group investments.

KEY AREAS OF PROGRESS IN FY21/22

Progress by focus areas against aspirational commitments

▼ *KEY AREAS OF PROGRESS IN FY21/22 (GRI 401-2)*

PILLAR	ASPIRATIONAL COMMITMENTS	PROGRESS	TARGETS
A SENSE OF BELONGING	Continue to accelerate our Group's listening mindset, and create capabilities to monitor our organisational health (well-being, communication, organisational change, etc.)	• Employee survey platform deployed globally, allowing for different kinds of surveys to happen along the entire employee journey • More than 40% of the total population was surveyed in FY22 (exceeding our target ambition of 30% for FY22)	50% of the total population to be surveyed by FY23 Enable new well-being monitoring touchpoints
	Implementation of core benefits and a minimum standard across the Group to support our people	• Minimum benefits harmonised, covering: • Life & Permanent Disability: 1x annual salary as a minimum (lump sum or paid as annuities) • Medical: we ensure all our employees are covered for major medical events – in some markets, coverage is also extended to spouse and children • Parental Leave: a minimum of 14 weeks' maternity/5 days' paternity leave • Employee Assistance Programme: WeCare initiative, including an emotional support hotline available 24/7 via third-party providers to preserve confidentiality • Volunteering: minimum 1 day for volunteering initiatives • Business Travel Assistance: covering all our employees worldwide via International SOS • Staff Sales: Group policy on staff sales to enable our employees to purchase Group creations at preferential rates (permanent discount as well as specific flash sales) • Long Service Awards Programme: to celebrate seniority – rewards will be presented after 10, 20, 30 and 40 years of service	100% by FY23
	Protecting our people through the global rollout of chemical management and incident reporting tools	• Our health and safety ambitions are as follows: • Further develop our incident reporting tool to allow more functionality and proactive risk management • Continue to roll out the ChemGuard chemical management tool • If/when travel restrictions are lifted, undertake more HSE compliance assessments across a sample of locations	FY24
	Increase gender diversity in key roles Group-wide (Brand Managers, Digital Know-How, etc.)	• DEI initiative to support 33 high-potential women's careers, with a customised development programme and sponsorship from the top executives	100% achieved by mid-FY23

KEY AREAS OF PROGRESS IN FY21/22 *CONTINUED*

Progress by focus areas against aspirational commitments

▼ *KEY AREAS OF PROGRESS IN FY21/22 (GRI 401-2)*

PILLAR	ASPIRATIONAL COMMITMENTS	PROGRESS	TARGETS
A WORLD OF OPPORTUNITY	Equal opportunities	• Increased transparency – greater visibility for open positions	All non-confidential positions to be published in FY23
	Create a sustainable talent marketplace	• Enhance our talent solutions by introducing an AI-powered talent platform, to better match employees' skills and aspirations with opportunities, access hidden skills and talents, and create a more diverse/inclusive workforce	Project kick-off early FY23
A JOURNEY OF BECOMING	L&D capabilities	• Accelerate our learning culture with new customised and personalised platforms to enable individual growth	New L&D ecosystem by the end of FY23/24
	Accompany industrial transformation with appropriate skills, training and reskilling	• Support the development of our Group technology capabilities with a dedicated digital learning platform	FY23
	Performance management	• Improve and enable our new Group-wide performance management framework, with a strong focus on people development	FY23

HUMAN RIGHTS TOOL: GRI UNIVERSAL STANDARDS

Alongside the UNGPs, we can measure our human rights impact and compare our performance to GRI Standards. GRIs 1, 2 and 3 prescribe universal standards, all of which are applied to our reporting.

The 2021 GRI Standards Update saw human rights removed as a standalone topic. It is now considered as a subject area, with which other topics intertwine. The table lists some of these topics.

▼ *HUMAN RIGHTS TOOL: GRI UNIVERSAL STANDARDS*

Universal standards	
Requirements and principles	GRI 1
General disclosures	GRI 2-23, 2-24, 2-25, 2-29, 2-30
Material topics	GRI 3-1, 3-2, 3-3
Sector standards	
Mining**	Expected 2023
Textiles and apparel**	Expected date TBD
TOPICS	
Employment	GRI 401
Occupational health & safety	GRI 403
Training and education	GRI 404
Diversity & equal opportunity	GRI 405
Freedom of association and collective bargaining	GRI 407
Child labour	GRI 408
Forced or compulsory labour	GRI 409
Rights of indigenous peoples	GRI 411
Local communities	GRI 413
Supplier social assessment	GRI 414

**This table is not exhaustive*
***These topics have been prioritised to develop a sector standard*

GLOSSARY OF ACRONYMS

Our website has a full glossary of terms used in this report.

ADD	Annotated Disclosure Dashboard
ASM	Artisanal and Small-Scale Mining
BREEAM	Building Research Establishment Environmental Assessment Methodology
CDP	Formerly Carbon Disclosure Project
CGWG	Coloured Gemstones Working Group
CIRAIG	International Reference Center for Life Cycle of Products, Processes and Services
CISL	University of Cambridge Institute for Sustainability Leadership
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CNAM	Conseil National des Arts et Métiers
CSR	Corporate Social Responsibility
CWI	Cartier Women's Initiative
DEI	Diversity, Equity & Inclusion
EP&L	Environmental Profit & Loss
ESG	Environmental, Social and Governance
FSC	Forest Stewardship Council
GEVA	Greenhouse gas emissions per unit of Economic Value Added
GHG	Greenhouse Gases
GRI	Global Reporting Initiative
ICFA	International Crocodilian Farmers Association
IFM	Institut Français de la Mode
KPCS	Kimberley Process Certification Scheme
KPI	Key Performance Indicator
LEED	Leadership in Energy and Environmental Design
LGBTQIA+	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, and Asexual
LMS	Learning Management System
LWG	Leather Working Group
mHREDD	EU Mandatory Human Rights and Environmental Due Diligence
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Co-operation and Development
RJC	Responsible Jewellery Council
RJC COC	Responsible Jewellery Council Chain of Custody
RJC COP	Responsible Jewellery Council Code of Practices
SASB	Sustainability Accounting Standards Board
SBT	Science Based Target
SBTi	Science Based Targets initiative
SMETA	Sedex Members Ethical Trade Audit
UNGC	United Nations Global Compact
UNGP	United Nations' Guiding Principles on Business and Human Rights
WALDB	World Apparel & Footwear Life Cycle Assessment Database
WFTO	World Fair Trade Organization
YAC	Young Advisory Committee

STAKEHOLDER GROUPS AND OUR ENGAGEMENT WITH THEM

STAKEHOLDER GROUP	KEY ISSUES OF INTEREST	HOW WE ENGAGE AND FREQUENCY (#)
CLIENTS/CUSTOMERS To whom we provide high-quality goods and service	• Quality, design and craftsmanship of our products • Customer service • Origin/traceability of product and precious materials • Data protection	• Customer surveys, meetings, briefings and events (>20) • Customer feedback through after-sales service (>000s) • Fair pricing of products around the world, subject to exchange rate movements
EMPLOYEES Who drive the success of the business	• Health, safety and well-being • Employee welfare (including remuneration, benefits, consultation) • Training and development • Diversity, equity and inclusion • Engagement	• Employee engagement surveys and barometers • Management briefings (dozens) • Intranet sites (1 Group and more than 10 Maison sites. Most are refreshed daily) • Structured performance management (over 34 000) • Learning Management Systems to support training and development • Employee Works Councils in some countries
SUPPLIERS AND BUSINESS PARTNERS Who we rely on to deliver our quality products to our clients	• Responsible sourcing of materials • Ethical, social and environmental standards • Quality • Fair payment terms	• One-to-one meetings • Supplier Code of Conduct (see Sourcing chapter) • Supplier audits (between 100 and 200) • Through industry organisations (>3)

STAKEHOLDER GROUPS AND OUR ENGAGEMENT WITH THEM *CONTINUED*

STAKEHOLDER GROUP	KEY ISSUES OF INTEREST	HOW WE ENGAGE AND FREQUENCY (#)
REGULATORS AND POLICY LEADERS Who provide the framework within which we operate	• Compliance with laws and regulations • Transparency • Responsible sourcing of materials	• Corporate affairs representatives • Via industry organisations such as the RJC (>15) and the Federation of the Swiss Watch Industry (>2) • TRACIT (>3) • Participation in United Nations Global Compact and its Swiss Network (>9)
SHAREHOLDERS, INVESTORS, ANALYSTS AND NON-FINANCIAL RATING ORGANISATIONS With whom we seek to develop long-term relationships based on trust and value creation	• Strategy and capital allocation • Financial performance • Governance & business ethics • Embedding sustainability in operations • Responsible sourcing • Diversity, equity and inclusion • Biodiversity	• AGM and roadshows • Interim/annual results presentations and their webcasts • Carbon-free and in-person roadshows and meetings • Sustainability investor conferences • Responding to investor surveys and to rating agency questionnaires on sustainability matters
COMMUNITIES Local communities where our operations are based; the wider cultural community we engage through our activities	• Economic impact • Ethical, social and environmental practices • Employment opportunities • Community partnerships	• Through our citizenship activities (not collected) • Meetings with NGO partners (>2)

STAKEHOLDER GROUPS AND OUR ENGAGEMENT WITH THEM *CONTINUED*

STAKEHOLDER GROUP	KEY ISSUES OF INTEREST	HOW WE ENGAGE AND FREQUENCY (#)
INDUSTRY ORGANISATIONS With whom we share best practices	• Ethical, social and environmental practices • Industry issues, including anti-counterfeiting	• Through the RJC and other industry bodies • Participation in the Swiss Better Gold Association (>6) • Participation in the Coloured Gemstones Working Group (>6) • BSR's Responsible Luxury Initiative and related working groups (>3)
NON-GOVERNMENTAL ORGANISATIONS (NGOS) With whom we engage through our involvement in industry associations and activities	• Ethical, social and environmental practices • Community partnerships • Biodiversity	• Meetings and progress reports, primarily via industry organisations such as the RJC and United Nations Global Compact • Carbon Disclosure Project surveys (2) • The World Wide Fund for Nature (WWF) (2)
MEDIA Specialist and mainstream media who are interested in our business	• Strategy and financial performance • Consumer attitudes to luxury and sustainability • Advertising • Responsible sourcing and ethical standards • Diversity, equity and inclusion • Biodiversity	• Refer to the row above regarding 'Shareholders, investors, analysts and non-financial rating organisations'

GROUP CSR COMMITTEE MEMBERSHIP

▼ *CSR COMMITTEE MEMBERSHIP*

AT 31 MARCH 2022, THE CSR COMMITTEE COMPRISED:	
Group CFO (Chair)	Group Director, Physical Security, Health and Safety
Group Chief Sustainability Officer	Group Director, Responsible Sourcing
Cartier Corporate Responsibility Director	Group Procurement Manager
Fashion & Accessories Strategy and Transformation Director	Group Regions, Senior Project Manager
Group Deputy Director, Public Relations	Group Senior Compliance Officer
Group Deputy Director, Strategic Planning	Chief Marketing Officer, IWC (for all Specialist Watchmakers)
Group Director, Corporate Communications & Investor Relations	R&I Breakthrough Innovation Manager
Group Director, Corporate Social Responsibility	Senior Sustainability Manager (Secretary)
Group People Experience Director	Van Cleef & Arpels Director, Compliance & Risk Management
Group Director, Infrastructure & Cloud Services	YOOX NET-A-PORTER (YNAP) Senior Sustainability Manager.

Internal and external specialists are invited to attend the Committee ad hoc. During 2021/22, the average Committee attendance rate for members was 81%.

GLOBAL HR DATA FY22

Excluding Delvaux

HEADCOUNT	NUMBER
Total Internal Headcount	37 824
Of which Switzerland	*8 940*
No of countries with employees	39

BY WORKING AREAS	TOTAL HC
Sales & Distribution	55%
Manufacturing	21%
HQ & Regional Functions	24%
Average Age	39
Average Time in Position	4.3
Average Seniority	7.5
Female %	58%

BY REGION	TOTAL HC	PERMANENT	TEMPORARY
EUROPE	59%	53%	6%
APAC	22%	22%	0.7%
AMERICAS	11%	10%	0.4%
JAPAN	5%	5%	0.4%
MEIA	3%	3%	0.3%
		93%	7%

NATIONALITIES	TOTAL HC
French	23%
Chinese*	17%
American	10%
Italian	8%
Swiss	8%
German	6%
British	5%
Others	23%

**Includes all China locations not only Chinese from Mainland China (CN, HK, MO, TW)*

NO OF NATIONALITIES	
TOTAL	139
Of which Switzerland	*77*

DETAILED HR DATA FY22

Excluding YOOX NET-A-PORTER/Delvaux

HEADCOUNT	NUMBER	PERCENTAGE
Total Internal Headcount	33 361	76%
vs. total External Headcount	10 259	24%

▼ *GENDER IN HEADCOUNT*

	FEMALE	MALE	
Permanent	57%	43%	100%
Temporary Trainees	64%	36%	100%
TOTAL	**58%**	**42%**	**100%**
Full-time	56%	44%	100%
Part-time	80%	20%	100%
TOTAL	**58%**	**42%**	**100%**
<30	61%	39%	100%
30–50	59%	41%	100%
>50	49%	51%	100%
TOTAL	**58%**	**42%**	**100%**

▼ *AGE GROUPING IN HEADCOUNT*

	<30	30–50	>50
Permanent	14%	67%	18%
Temporary	50%	40%	10%
Trainees	97%	3%	0%
TOTAL	**18%**	**64%**	**18%**
Full-time	19%	65%	17%
Part-time	12%	59%	29%
TOTAL	**18%**	**64%**	**18%**

DETAILED HR DATA FY22 *CONTINUED*

Excluding YOOX NET-A-PORTER/Delvaux

▼ *GENDER IN HEADCOUNT*

	FEMALE	MALE	
Management	46%	54%	100%
Specialists	56%	44%	100%
Non-Exempts	61%	39%	100%
No Level	59%	41%	100%
TOTAL	**58%**	**42%**	**100%**
Baby Boomer	**46%**	**54%**	**100%**
Generation X	**53%**	**47%**	**100%**
Generation Y	60%	40%	100%
Generation Z	60%	40%	100%
TOTAL	**58%**	**42%**	**100%**
People Manager	52.3%	48%	100%
TOP600	**36%**	**64%**	**100%**
External Recruitments	62%	38%	100%
Internal Mobilities	59%	41%	100%

▼ *AGE GROUPING IN HEADCOUNT*

	<30	30–50	>50
Management	0%	72%	27%
Specialists	13%	71%	16%
Non-Exempts	20%	61%	19%
No Level	77%	17%	6%
TOTAL	**18%**	**64%**	**18%**
People Manager	4%	76%	20%
TOP600	**-**	**61%**	**39%**
External Recruitments	36%	59%	5%
Internal Mobilities	22%	70%	9%

DETAILED HR DATA FY22 *CONTINUED*

Excluding YOOX NET-A-PORTER/Delvaux

▼ *GENDER IN HEADCOUNT*

	FEMALE	MALE	
Position Internally Filled	40%	42%	41%
Turnover Group %	13.8%	11.2%	12.7%

▼ *AGE GROUPING IN HEADCOUNT*

	<30	30–50	>50
Position Internally Filled	40%	42%	41%
Turnover Group %	13.8%	11.2%	12.7%

	FEMALE % FY19	FEMALE % FY20	FEMALE % FY21	FEMALE % FY22
WW	57%	57%	57%	58%
SEC	N/A	14%	-	-
Group Executives	N/A	19%	16%	16%
TOP600	N/A	33%	35%	36%
M Levels	42%	43%	45%	46%
People Managers	51%	52%	52%	52%

TRAINING DATA FY22*

Excluding Delvaux / Peter Millar

AVERAGE HOURS PER LEARNER	FEMALE	MALE	NOT DECLARED	CY 2021
Management	8.87	7.58	-	8.19
No Level	5.08	4.70	-	4.94
Non- Exempts	4.96	4.93	0.97	4.94
Specialists	8.15	6.76	6.34	7.58
Grand Total	**6.50**	**6.02**	**2.19**	**6.31**

** Not included in these statistics are mandatory Compliance trainings as well as Maison-specific platforms and any other external, unregistered content.*

In the past year, the continuous efforts to provide our employees with educational moments have resulted in 160 295 completed training records, which represents an almost 45% increase versus the previous period.

SPLIT BY TYPE OF LEARNING:

- 119 510 (74.55%) online learning
- 40 785 (25.45%) instructor-led training

A total of 26 196 learners, which represents 69.26% of the global headcount (incl. YOOX NET-A-PORTER: 37 824 HC), have completed at least one training, online or instructor-led. This represents an increase of more than 17% compared to the previous year.

These learners have spent, on average, 1.85 hours in online training and around 4.45 hours in classroom training.

The average number of training hours per learner is 6.31 hours. The group average number of training hours per learner HC, based on overall headcount of 37 824, amounted to 4.37 hours.

GLOBAL REPORTING INITIATIVE (GRI) INDEX

Richemont's Sustainability Report 2022 has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. This GRI content index provides references to the relevant GRI Standards disclosures included in this report and our Annual Report and Accounts 2022.

As we look to transition to the new 2021 GRI Standards next year, a few 2021 GRI indicators are drawn out in our reporting. The tables across the following pages specify which GRI Reporting Standard year is referred to for each indicator.

▼ *MENU*

GENERAL STANDARD DISCLOSURES	TOPIC SPECIFIC DISCLOSURES
Organisational Profile	Material Topics
Strategy	Non-Material Topics
Ethics and Integrity	
Governance	
Stakeholder Engagement	
Reporting Practice	

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
GENERAL DISCLOSURE			
ORGANISATIONAL PROFILE			
GRI 102: GENERAL DISCLOSURES 2016	102-1	Name of the organisation	• Introduction
GRI 102: GENERAL DISCLOSURES 2016	102-2	Activities, brands, products and services	• Introduction – Our Maisons, Foundations & Schools • Richemont at a Glance – About Richemont International SA • What we do • Portfolio overview
GRI 102: GENERAL DISCLOSURES 2016	102-3	Location of headquarters	• Richemont at a Glance – About Richemont International SA
GRI 102: GENERAL DISCLOSURES 2016	102-4	Location of operations	• Richemont at a Glance – About Richemont International SA • Global presence
GRI 102: GENERAL DISCLOSURES 2016	102-5	Ownership and legal form	• Corporate Governance – Group • Structure (Annual Report and Accounts 2022) • Capital structure
GRI 102: GENERAL DISCLOSURES 2016	102-6	Markets served	• Richemont at a Glance – About Richemont International SA, Key Figures • Portfolio overview
GRI 102: GENERAL DISCLOSURES 2016	102-7	Scale of the organisation	• Introduction – Our Maisons • Richemont at a Glance – About Richemont International SA, Key Figures • Annexes – General Information FY22 April 2021–March 2022

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
GENERAL DISCLOSURE			
ORGANISATIONAL PROFILE *CONTINUED*			
GRI 102: GENERAL DISCLOSURES 2016	102-8	Information on employees and other workers	• Annexes – General Information FY22 April 2021–March 2022
GRI 102: GENERAL DISCLOSURES 2016	102-9	Supply chain	• Refining our Governance – Sustainable Operations, How we Source and Procure
GRI 102: GENERAL DISCLOSURES 2016	102-10	Significant changes to the organisation and its supply chain	• No significant changes in the year
GRI 102: GENERAL DISCLOSURES 2016	102-11	Precautionary principle or approach	• Refining our Governance – Governance and Risk Management, How we Operate • Reducing our Environmental Footprint – Driving Climate-Positive Decisions
GRI 102: GENERAL DISCLOSURES 2016	102-12	External initiatives	• Richemont Sustainability Strategy – The SDGs Our Universal Compass • Refining our Governance – Responsible and Sustainable Procurement, Partner Organisations
GRI 102: GENERAL DISCLOSURES 2016	102-13	Membership of associations	• Refining our Governance – Responsible and Sustainable Procurement, Partner Organisations

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
GENERAL DISCLOSURE			
STRATEGY			
GRI 102: GENERAL DISCLOSURES 2016	102-14	Statement from senior decision-maker	• Richemont at a Glance – CFO Statement
GRI 102: GENERAL DISCLOSURES 2016	102-15	Key impacts, risks and opportunities	• Richemont Sustainability Strategy
ETHICS AND INTEGRITY			
GRI 102: GENERAL DISCLOSURES 2016	102-16	Values, principles, standards and norms of behaviour	• Amplifying our Social Handprint – Human Rights: Laying the Foundations • Refining our Governance – Business Ethics: Public Policies, How we Source and Procure, Responsible and Sustainable Procurement
GRI 102: GENERAL DISCLOSURES 2016	102-17	Mechanisms for advice and concerns about ethics	• Amplifying our Social Handprint – Human Rights: Laying the Foundations (Richemont Speak Up Platform)

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
GENERAL DISCLOSURE			
GOVERNANCE			
GRI 102: GENERAL DISCLOSURES 2016	102-18	Governance structure	• Refining our Governance – Governance and Risk Management, How Sustainability is Governed • [Amplifying our Social Handprint – Human Rights: Laying the Foundations]
[GRI 2: GENERAL DISCLOSURES 2021]	[2-9]	[Governance structure and composition]	• Corporate Governance – Board of Directors (Annual Report and Accounts 2022)
GRI 102: GENERAL DISCLOSURES 2016	102-19	Delegating authority	• Refining our Governance – How Sustainability is Governed
GRI 102: GENERAL DISCLOSURES 2016	102-20	Executive-level responsibility for economic, environmental and social topics	• Refining our Governance – How Sustainability is Governed, Group CSR Committee
[GRI 2: GENERAL DISCLOSURES 2021]	[2-13]	[Delegation of responsibility for managing impacts]	• [Amplifying our Social Handprint – Human Rights: Laying the Foundations]
GRI 102: GENERAL DISCLOSURES 2016	102-21	Consulting stakeholders on economic, environmental and social topics	• Richemont Sustainability Strategy – Reporting on Material Issues • Refining our Governance – Governance and Risk Management: Stakeholder Engagement
[GRI 2: GENERAL DISCLOSURES 2021]	[2-12]	[Role of the highest governance body in overseeing the management of impacts]	• [Amplifying our Social Handprint – Human Rights: Laying the Foundations]

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
GENERAL DISCLOSURE			
GOVERNANCE *CONTINUED*			
GRI 102: GENERAL DISCLOSURES 2016	102-22	Composition of the highest governance body and its committees	• Refining our Governance – How Sustainability is Governed: Governance and Sustainability Committee, Group CSR Committee • Corporate Governance – Group structure and shareholders (Annual Report and Accounts 2022) • Board of Directors • Senior Executive Committee
GRI 102: GENERAL DISCLOSURES 2016	102-23	Chair of the highest governance body	• Corporate Governance – Group structure and shareholders (Annual Report and Accounts 2022) • Corporate Governance – Board of Directors (Annual Report and Accounts 2022) • Board of Directors
GRI 102: GENERAL DISCLOSURES 2016	102-24	Nominating and selecting the highest governance body	• Corporate Governance (Annual Report and Accounts 2022)
GRI 102: GENERAL DISCLOSURES 2016	102-26	Role of highest governance body in setting purpose, values and strategy	• Refining our Governance – How Sustainability is Governed
GRI 102: GENERAL DISCLOSURES 2016	102-29	Identifying and managing economic, environmental and social impacts	• Richemont Sustainability Strategy – Reporting on Material Issues • Refining our Governance – Sustainable Operations

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
GENERAL DISCLOSURE			
GOVERNANCE *CONTINUED*			
GRI 102: GENERAL DISCLOSURES 2016	102-30	Effectiveness of risk management processes	• Refining our Governance – Governance and Risk Management
GRI 102: GENERAL DISCLOSURES 2016	102-31	Review of economic, environmental and social topics	• Refining our Governance – How Sustainability is Governed
GRI 102: GENERAL DISCLOSURES 2016	102-32	Highest governance body's role in sustainability reporting	• Richemont Sustainability Strategy – Reporting on Material Issues • Refining our Governance – How Sustainability is Governed • [Amplifying our Social Handprint – Human Rights: Laying the Foundations]
[GRI 2: GENERAL DISCLOSURES 2021]	[2-14]	[Role of the highest governance body in sustainability reporting]	
GRI 102: GENERAL DISCLOSURES 2016	102-33	Executive-level responsibility for economic, environmental and social topics	• Refining our Governance – Governance and Risk Management, How Sustainability is Governed
GRI 102: GENERAL DISCLOSURES 2016	102-36	Process for determining remuneration	• Compensation Report (Annual Report and Accounts 2022)
GRI 102: GENERAL DISCLOSURES 2016	102-37	Stakeholders' involvement in remuneration	• Compensation Report (Annual Report and Accounts 2022)

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
GENERAL DISCLOSURE			
STAKEHOLDER ENGAGEMENT			
GRI 102: GENERAL DISCLOSURES 2016	102-40	List of stakeholder groups engaged	• Refining our Governance – Governance and Risk Management: Stakeholder Engagement • Annexes – Stakeholder Groups and our Engagement with Them
GRI 102: GENERAL DISCLOSURES 2016	102-41	Collective bargaining agreements	• Our Standards of Business Conduct 2021 – Business & Human Rights
GRI 102: GENERAL DISCLOSURES 2016	102-42	Identifying and selecting stakeholders	• Refining our Governance – Governance and Risk Management: Stakeholder Engagement • Annexes – Stakeholder Groups and our Engagement with Them
GRI 102: GENERAL DISCLOSURES 2016	102-43	Approach to stakeholder engagement	• Refining our Governance – Governance and Risk Management: Stakeholder Engagement • Annexes – Stakeholder Groups and our Engagement with Them
GRI 102: GENERAL DISCLOSURES 2016	102-44	Key topics and concerns raised	• Refining our Governance – Governance and Risk Management: Stakeholder Engagement • Annexes – Stakeholder Groups and our Engagement with Them

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
GENERAL DISCLOSURE			
REPORTING PRACTICE			
GRI 102: GENERAL DISCLOSURES 2016	102-45	Entities included in the consolidated financial statements	• Business Review – Financial Review (Annual Report and Accounts 2022)
GRI 102: GENERAL DISCLOSURES 2016	102-46	Defining report content and topic boundaries	• Richemont Sustainability Strategy – Reporting on Material Issues • Annexes – Stakeholder Groups and our Engagement with Them
[GRI 3: MATERIAL TOPICS 2021]	[3-1]	[Process to determine material topics]	
GRI 102: GENERAL DISCLOSURES 2016	102-47	List of material topics	• Richemont Sustainability Strategy – Reporting on Material Issues
GRI 102: GENERAL DISCLOSURES 2016	102-48	Restatements of information	• Annexes – Environmental Performance
GRI 102: GENERAL DISCLOSURES 2016	102-49	Changes in reporting	• Richemont Sustainability Strategy – Reporting on Material Issues
GRI 102: GENERAL DISCLOSURES 2016	102-50	Reporting period	• Introduction – About this Report: Period Covered
GRI 102: GENERAL DISCLOSURES 2016	102-51	Date of most recent report	• June 2022

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
GENERAL DISCLOSURE			
REPORTING PRACTICE *CONTINUED*			
GRI 102: GENERAL DISCLOSURES 2016	102-52	Reporting cycle	• Annual • Introduction – About this Report: Period Covered
GRI 102: GENERAL DISCLOSURES 2016	102-53	Contact point for questions regarding the report	• Introduction – About this Report
GRI 102: GENERAL DISCLOSURES 2016	102-54	Claims of reporting in accordance with the GRI Standards	• Introduction – About this Report: Standards
GRI 102: GENERAL DISCLOSURES 2016	102-55	GRI content index	• Global Reporting Initiative (GRI) Index
GRI 102: GENERAL DISCLOSURES 2016	102-56	External assurance	• Introduction – About this Report

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
HUMAN RIGHTS AND LABOUR STANDARDS			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Amplifying our Social Handprint – Human Rights: OECD Due Diligence, Laying the Foundations, Illustrating our Supply Chain Actions
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Amplifying our Social Handprint – Human Rights: OECD Due Diligence, Laying the Foundations, Illustrating our Supply Chain Actions • Refining our Governance – Partner Organisations (TRACIT)
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Refining our Governance • Amplifying our Social Handprint – Human Rights: OECD Due Diligence, Laying the Foundations, Illustrating our Supply Chain Actions
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	• Amplifying our Social Handprint – Human Rights

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
TRANSPARENCY & TRACEABILITY OF RAW MATERIALS			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Amplifying our Social Handprint – Human Rights: OECD Due Diligence, Laying the Foundations, Illustrating our Supply Chain Actions • Refining our Governance – Business Ethics: Public Policies (Aura Blockchain Consortium)
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Amplifying our Social Handprint – Human Rights: OECD Due Diligence, Laying the Foundations, Illustrating our Supply Chain Actions • Refining our Governance – Business Ethics: Public Policies (Aura Blockchain Consortium)
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Refining our Governance – Business Ethics: Public Policies (Aura Blockchain Consortium) • Amplifying our Social Handprint – Human Rights: OECD Due Diligence, Laying the Foundations, Illustrating our Supply Chain Actions
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1	New suppliers that were screened using environmental criteria	• Refining our Governance – Responsible and Sustainable Procurement: Compliance and Supplier Third-Party Audits
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1	New suppliers that were screened using social criteria	• Refining our Governance – Responsible and Sustainable Procurement: Compliance and Supplier Third-Party Audits
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-2	Negative social impacts in the supply chain and actions taken	• Amplifying our Social Handprint – Human Rights: Laying the Foundations (Product Social Impact Assessment of Artisanal and Small-Scale Mined Gold) • Refining our Governance – Responsible and Sustainable Procurement: Compliance and Supplier Third-Party Audits

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
CLIMATE & ENERGY			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Reducing our Environmental Footprint – Acting on Climate Change, Controlling Greenhouse Gas Emissions, Driving Climate-Positive Decisions
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Reducing our Environmental Footprint – Acting on Climate Change, Controlling Greenhouse Gas Emissions, Driving Climate-Positive Decisions
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Refining our Governance • Reducing our Environmental Footprint – Acting on Climate Change, Controlling Greenhouse Gas Emissions, Driving Climate-Positive Decisions
GRI 302: ENERGY 2016	302-1	Energy consumption within the organisation	• Reducing our Environmental Footprint – Controlling Greenhouse Gas Emissions • Annexes – Environmental Performance, Energy Performance
GRI 302: ENERGY 2016	302-4	Reduction of energy consumption	• Reducing our Environmental Footprint – Controlling Greenhouse Gas Emissions
GRI 305: EMISSIONS 2016	305-1	Direct (Scope 1) GHG emissions	• Reducing our Environmental Footprint – Acting on Climate Change, Controlling Greenhouse Gas Emissions • Annexes – Environmental Performance

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
CLIMATE & ENERGY *CONTINUED*			
GRI 305: EMISSIONS 2016	305-2	Energy indirect (Scope 2) GHG emissions	• Reducing our Environmental Footprint – Controlling Greenhouse Gas Emissions • Annexes – Environmental Performance
GRI 305: EMISSIONS 2016	305-3	Other indirect (Scope 3) GHG emissions	• Reducing our Environmental Footprint – Controlling Greenhouse Gas Emissions: Scope 3 Intensity • Annexes – Environmental Performance
GRI 305: EMISSIONS 2016	305-5	Reduction of GHG emissions	• Reducing our Environmental Footprint – Controlling Greenhouse Gas Emissions
TALENT & SKILLS			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Amplifying our Social Handprint – Our People
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Amplifying our Social Handprint – Our People • Refining our Governance

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
GOVERNANCE AND ETHICS			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Refining our Governance
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Refining our Governance
GRI 205: ANTI-CORRUPTION 2016	205-2	Communication and training about anti-corruption policies and procedures	• Refining our Governance – Business Ethics: Public Policies (Anti-bribery and corruption)
HEALTH, SAFETY & EMPLOYEE WELL-BEING			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people)
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people)
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Refining our Governance – How Sustainability is Governed • Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people)
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1	Occupational health and safety management system	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people)

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
HEALTH, SAFETY & EMPLOYEE WELL-BEING *CONTINUED*			
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-2	Hazard identification, risk assessment and incident investigation	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people)
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-3	Occupational health services	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people)
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-4	Worker participation, consultation and communication on occupational health and safety	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people) • Annexes – Stakeholder Groups and Our Engagement with Them (Employees)
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-5	Worker training on occupational health and safety	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people: Health & Safety Training and Awareness)
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-6	Promotion of worker health	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people)
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people)
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-9	Work-related injuries	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Supporting and protecting our people) • Driving Climate-Positive Decisions: Environmental Management Systems

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
PROTECTED SPECIES AND ANIMAL WELFARE			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Reducing our Environmental Footprint – Biodiversity: Leather
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Refining our Governance – Responsible and Sustainable Procurement • Reducing our Environmental Footprint – Biodiversity: Leather • Richemont Sustainability Strategy – Reporting on Material Issues
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Refining our Governance – Responsible and Sustainable Procurement • Reducing our Environmental Footprint – Biodiversity: Leather

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
WASTE & RESOURCE EFFICIENCY			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Reducing our Environmental Footprint – Waste Generated in Operations, Minimising Waste, Product Stewardship • Annexes – Waste
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Reducing our Environmental Footprint – Waste Generated in Operations, Minimising Waste, Product Stewardship • Annexes – Waste
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Refining our Governance • Reducing our Environmental Footprint – Waste Generated in Operations, Minimising Waste, Product Stewardship
GRI 306: WASTE 2020	306-1	Waste generation and significant waste-related impacts	• Reducing our Environmental Footprint – Waste Generated in Operations, Minimising Waste, Product Stewardship • Annexes – Waste
GRI 306: WASTE 2020	306-2	Management of significant waste-related impacts	• Reducing our Environmental Footprint – Waste Generated in Operations, Minimising Waste, Product Stewardship • Annexes – Waste
GRI 306: WASTE 2020	306-3	Waste generated	• Reducing our Environmental Footprint – Waste Generated in Operations, Minimising Waste, Product Stewardship

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
WASTE & RESOURCE EFFICIENCY *CONTINUED*			
GRI 306: WASTE 2020	306-4	Waste diverted from disposal	• Reducing our Environmental Footprint – Waste Generated in Operations • Annexes – Waste
GRI 306: WASTE 2020	306-5	Waste directed to disposal	• Reducing our Environmental Footprint – Minimising Waste • Annexes – Waste
BIODIVERSITY & DEFORESTATION			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Reducing our Environmental Footprint – Biodiversity
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Refining our Governance – How Sustainability is Governed • Reducing our Environmental Footprint – Biodiversity
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Refining our Governance – How Sustainability is Governed • Reducing our Environmental Footprint – Biodiversity
GRI 304: BIODIVERSITY 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	• Reducing our Environmental Footprint – Biodiversity
GRI 304: BIODIVERSITY 2016	304-2	Significant impacts of activities, products and services on biodiversity	• Reducing our Environmental Footprint – Biodiversity
GRI 304: BIODIVERSITY 2016	304-3	Habitats protected or restored	• Reducing our Environmental Footprint – Biodiversity

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
CIRCULARITY			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Reducing our Environmental Footprint – Introduction, Minimising Waste (Circular Economy)
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Richemont Sustainability Strategy – Evolving our Sustainability Strategy • Reducing our Environmental Footprint – Introduction, Minimising Waste (Circular Economy), Product Stewardship
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Reducing our Environmental Footprint – Introduction, Minimising Waste (Circular Economy), Product Stewardship
GRI 301: MATERIALS 2016	301-1	Materials used by weight or volume	• Richemont will collect the relevant data, which will be made available in subsequent reports.
DIVERSITY, EQUITY & INCLUSION			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Amplifying our Social Impact – Our People: Activating our Global Diversity, Equity & Inclusion Vision, A World of Opportunities, Looking Ahead
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Amplifying our Social Impact – Our People: Fostering a Sense of Belonging (Activating our Global Diversity, Equity & Inclusion Vision), A World of Opportunities, A Journey of Becoming (Looking Ahead) • Refining our Governance – How Sustainability is Governed

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
DIVERSITY, EQUITY & INCLUSION *CONTINUED*			
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Refining our Governance – How Sustainability is Governed • Amplifying our Social Impact – Our People: Fostering a Sense of Belonging (Activating our Global Diversity, Equity & Inclusion Vision), A World of Opportunities, A Journey of Becoming (Looking Ahead)
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	Diversity of governance bodies and employees	• Annexes – General Information
POSITIVE SOCIAL & COMMUNITY IMPACT			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Amplifying our Social Handprint – Communities: Giving, Foundations
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Amplifying our Social Handprint – Communities: Giving, Foundations
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Amplifying our Social Handprint – Communities: Giving, Foundations • Refining our Governance – How Sustainability is Governed
GRI 201: ECONOMIC PERFORMANCE	201-1	Direct economic value generated and distributed	• Richemont at a Glance • Consolidated Financial Statements (Annual Report and Accounts 2022)
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-2	Significant indirect economic impacts	• Amplifying our Social Handprint – Communities: Giving, Foundations

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
CONFLICT MINERALS			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Amplifying our Social Handprint – Human Rights: Illustrating our Supply Chain Actions
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Amplifying our Social Handprint – Human Rights: OECD Due Diligence Guidance, Laying the Foundations, Illustrating our Supply Chain Actions • Refining our Governance – Partner Organisations: Responsible Jewellery Council
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Amplifying our Social Handprint – Human Rights: OECD Due Diligence Guidance, Laying the Foundations, Illustrating our Supply Chain Actions
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Reducing our Environmental Footprint – Minimising Waste • Amplifying our Social Handprint – Introduction
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Reducing our Environmental Footprint – Minimising Waste • Refining our Governance – Governance and Risk Management
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Reducing our Environmental Footprint – Minimising Waste • Refining our Governance – Governance and Risk Management

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
CONFLICT MINERALS *CONTINUED*			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Reducing our Environmental Footprint – Product Stewardship • Amplifying our Social Handprint – Laying the Foundations • Refining our Governance – Business Ethics: Public Policies, Anti-counterfeiting
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Reducing our Environmental Footprint – Product Stewardship • Amplifying our Social Handprint – Laying the Foundations • Refining our Governance – Business Ethics: Public Policies, Anti-counterfeiting
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Reducing our Environmental Footprint – Product Stewardship • Amplifying our Social Handprint – Laying the Foundations • Refining our Governance – Business Ethics: Public Policies, Anti-counterfeiting

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
WATER			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	• Richemont Sustainability Strategy – Reporting on Material Issues • Reducing our Environmental Footprint – Introduction, Protecting Water • Annexes – Water
GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	• Reducing our Environmental Footprint – Introduction, Acting on Climate Change, Protecting Water
GRI 103: MANAGEMENT APPROACH 2016	103-3	Evaluation of the management approach	• Reducing our Environmental Footprint – Introduction, Acting on Climate Change, Protecting Water
GRI 303: WATER AND EFFLUENTS 2018	303-1 (b and c)	Interactions with water as a shared resource	• Reducing our Environmental Footprint – Protecting Water
GRI 303: WATER AND EFFLUENTS 2018	303-3	Water withdrawal	• Reducing our Environmental Footprint – Protecting Water • Annexes – Water
GRI 303: WATER AND EFFLUENTS 2018	303-4	Water discharge	• Reducing our Environmental Footprint – Protecting Water

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
NON-MATERIAL TOPICS			
GRI 401: EMPLOYMENT 2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging, A World of Opportunities, A Journey of Becoming • Amplifying our Social Handprint – Our People: Key Areas of Progress in FY21/22
GRI 404: TRAINING AND EDUCATION 2016	404-1	Average hours of training per year per employee	• Amplifying our Social Handprint – A Journey of Becoming
GRI 404: TRAINING AND EDUCATION 2016	404-2	Programmes for upgrading employee skills and transition assistance programmes	• Amplifying our Social Handprint – Human Rights: Laying The Foundations; Our People – A Journey of Becoming
GRI 404: TRAINING AND EDUCATION 2016	404-3	Percentage of employees receiving regular performance and career development reviews	• Amplifying our Social Handprint – Human Rights: Our People – A Journey of Becoming
GRI 417: MARKETING AND LABELLING 2016	417-1	Requirements for product and service information and labelling	• Amplifying our Social Handprint – Human Rights: Illustrating our Supply Chain Actions (Undisclosed Synthetic Diamonds)
GRI 417: MARKETING AND LABELLING 2016	417-2	Incidents of non-compliance concerning product and service information and labelling	• Refining our Governance – Business Ethics: Public Policies (Product Advertising and Labelling)

GLOBAL REPORTING INITIATIVE (GRI) INDEX *CONTINUED*

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/RESPONSE
MATERIAL TOPICS			
CONFLICT MINERALS			
GRI 2: GENERAL DISCLOSURES 2021	2-24	Embedding policy commitments	• Amplifying our Social Handprint – Human Rights: Laying the Foundations
GRI 2: GENERAL DISCLOSURES 2021	2-25	Processes to remediate negative impacts	• Amplifying our Social Handprint – Human Rights: Laying the Foundations (Richemont Speak Up Platform)
GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016	411-1	Incidents of violations involving rights of indigenous peoples	• Amplifying our Social Handprint – Human Rights: Laying the Foundations (Strengthening Human Rights through Collaboration)
GRI 413: LOCAL COMMUNITIES 2016	413-1	Operations with local community engagement, impact assessments and development programmes	• Amplifying our Social Handprint – Human Rights: Laying the Foundations (Strengthening Human Rights through Collaboration; Product Social Impact Assessment of Artisanal and Small-Scale Mined Gold)
GRI 413: LOCAL COMMUNITIES 2016	413-2	Operations with significant actual and potential negative impacts on local communities	• Amplifying our Social Handprint – Human Rights: Laying the Foundations (Strengthening Human Rights through Collaboration; Product Social Impact Assessment of Artisanal and Small-Scale Mined Gold)

SASB CONTENT INDEX

Richemont's 2022 Sustainability Report also follows the standard for the apparel, accessories & footwear sector as defined by the Sustainability Accounting Standards Board's (SASB) Sustainable Industry Classification System™ (SICS™). Our SASB Content Index specifies where each disclosure can be found in this report.

In addition, this year we have included a select few relevant indicators from the standard for the multiline and speciality retailers & distributors industry, which are most material to our business.

▼ *APPAREL, ACCESSORIES & FOOTWEAR*

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS			
CODE	**ACCOUNTING METRIC**	**UNIT OF MEASURE**	**DATA/INFORMATION SOURCE**
MANAGEMENT OF CHEMICALS IN PRODUCTS			
CG-AA-250A.1	Discussion of processes to maintain compliance with restricted substances regulations	n/a	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Chemical Health, Safety and Environmental Risk Management) • Richemont maintains a Restricted Substance list, via its chemical safety data tool, which is regularly reviewed and updated.
CG-AA-250A.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	n/a	• Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Chemical Health, Safety and Environmental Risk Management) • Richemont's chemical safety data tool provides up-to-date access to chemical safety data sheets. Chemical safety is integrated into H&S management systems, training is provided and compliance assessments take place.

SASB CONTENT INDEX *CONTINUED*

▼ *APPAREL, ACCESSORIES & FOOTWEAR*

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS			
CODE	**ACCOUNTING METRIC**	**UNIT OF MEASURE**	**DATA/INFORMATION SOURCE**
ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN			
CG-AA-430A.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreements	%	• Reducing our Environmental Footprint – Protecting Water • Refining our Governance – Responsible and Sustainable Procurement • Richemont's Supplier Code sets out requirements of suppliers for the environment. Verification of compliance follows a risk-based approach, including audits. For our raw material supply chains, we are assessing tools to conduct water risks assessments and will provide further disclosure in future years.
CG-AA-430A.2	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	%	• Reducing our Environmental Footprint - Controlling Greenhouse Gas Emissions (Scope 3 Supplier engagement) • Richemont is engaging main suppliers on GHG emissions reductions through its involvement with CDP Supply Chain.

SASB CONTENT INDEX *CONTINUED*

▼ *APPAREL, ACCESSORIES & FOOTWEAR*

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS			
CODE	**ACCOUNTING METRIC**	**UNIT OF MEASURE**	**DATA/INFORMATION SOURCE**
LABOUR CONDITIONS IN THE SUPPLY CHAIN			
CG-AA-430B.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	%	• Refining our Governance – Responsible and Sustainable Procurement
CG-AA-430B.2	Priority non-conformance rate and associated corrective action rate for suppliers' labour code of conduct audits	n/a	• Rates not reported. • Refining our Governance – Responsible and Sustainable Procurement Corrective action points mainly identified around the following points: - Occupational health and safety - Human Rights Due Diligence (UNGP) - Business Ethics. Non-conformities are regularly followed up with the suppliers aligned with the corrective action period as defined by SMETA.
CG-AA-430B.3	Description of the greatest (1) labour and (2) environmental, health, and safety risks in th supply chain	n/a	• Amplifying our Social Handprint – Human Rights • Reducing our Environmental Footprint – Biodiversity • Refining our Governance – How we Source and Procure, Responsible and Sustainable Procurement

SASB CONTENT INDEX *CONTINUED*

▼ *APPAREL, ACCESSORIES & FOOTWEAR*

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS			
CODE	**ACCOUNTING METRIC**	**UNIT OF MEASURE**	**DATA/INFORMATION SOURCE**
RAW MATERIALS SOURCING			
CG-AA-440A.1	Description of environmental and social risks associated with sourcing priority raw materials	n/a	• Amplifying Our Social Handprint – Human Rights • Reducing our Environmental Footprint – Biodiversity • Refining Our Governance – How we Source and Procure, Responsible and Sustainable Procurement
CG-AA-440A.2	Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard	%	• Amplifying Our Social Handprint – Human Rights: Illustrating our Supply Chain Actions • Reducing our Environmental Footprint – Biodiversity • Refining Our Governance – Partner Organisations

SASB CONTENT INDEX *CONTINUED*

▼ *MULTILINE & SPECIALITY RETAILERS & DISTRIBUTORS*

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS			
CODE	**ACCOUNTING METRIC**	**UNIT OF MEASURE**	**DATA/INFORMATION SOURCE**
ENERGY MANAGEMENT IN RETAIL & DISTRIBUTION			
CG-MR-130A.1	Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Gigajoules (GJ), %	• Reducing Our Environmental Footprint – Controlling Greenhouse Gas Emissions (Scope 1 & 2, Scope 2)
DATA SECURITY			
CG-MR-230A.1	Description of approach to identifying and addressing data security risks	n/a	• Refining our Governance – Business Ethics: Public Policies (Data Protection and Cyber Security)
PRODUCT SOURCING, PACKAGING & MARKETING			
CG-MR-410A.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	n/a	• Reducing our Environmental Footprint – Product Stewardship: The Use of Chemicals • Amplifying our Social Handprint – Our People: Fostering a Sense of Belonging (Chemical Health, Safety and Environmental Risk Management)
CG-MR-410A.3	Discussion of strategies to reduce the environmental impact of packaging	n/a	• Reducing our Environmental Footprint – Minimising Waste: Plastic Shift Initiative, Branded Packaging, Phasing out PVC, Paper and Packaging • Refining our Governance – Responsible and Sustainable Procurement: Packaging and Point of Sales Materials

ACTIVITY METRIC	CODE	UNIT OF MEASURE	DATA/INFORMATION SOURCE
Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	CG-AA-000.A	Number	• Further disclosure to be provided in future reports.

INDEPENDENT ASSURANCE LETTER

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Building a better working world

Independent Assurance Statement

The Management and Board of Directors
Richemont International SA
Chemin de la Chênaie 50,
1293 Bellevue, Switzerland

Scope

We have been engaged by Richemont International S. A. (hereafter "Richemont") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, hereafter referred to as the engagement, to report on Richemont's sustainability report (the "Subject Matter") for the period of:

- Environment- 01st January 2021 to 31st December 2021
- Human Resources (HR) – 1st April 2021 to 31st March 2022

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Richemont

In preparing the sustainability report, Richemont applied the Global Reporting Initiative (GRI) Standards, in accordance with Core Criteria. GRI Standards - Core Criteria were specifically designed for sustainability report; As a result, the subject matter information may not be suitable for another purpose.

Richemont's responsibilities

Richemont's management is responsible for selecting the Criteria, and for presenting the sustainability report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000'), and the terms of reference for this engagement as agreed with Richemont International S. A. on 28th December 2020. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the sustainability report and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Review of the standard disclosures regarding the company's material sustainability aspects contained in the report;
- Review of consistency of data / information within the report;
- Undertake assurance review remotely including verification of the sample data and information reported at the following buildings and corporate headquarter at Bellevue, Switzerland;

S.No.	Entity		Building No.	Building type	Geography
1.	76	M.Jaeger- LeCoultre, (Branch of RISA)	101	Manufacture	Switzerland
2.	106	Richemont Suisse S.A.	CH08	Boutique	Switzerland
3.	58	Richemont Korea Ltd.	307	Warehouse	Korea
4.	14	Lange UhrenGmbH	101	Offices	Germany
5.	576	YNAP Corporation Branch (YOOX)	301	Warehouse	United States
6.	528	Varinor S.A.	104	Manufacture	Switzerland
7.	478	Pelletteria Richemont Firenze Srl.	107	Manufacture	Italy
8.	525	Peter Millar Inc.	203	Offices	United States

- Review and execution of an audit trail of claims and data streams, on a selective test basis, to determine the level of accuracy in collection, transcription and aggregation processes followed;
- Conduct interview of select representatives of Company's management to understand the current processes in place for capturing sustainability performance data as per GRI Standards, the Company's sustainability vision and the progress made during the reporting period;
- Review of the Company's plans, policies, and practices, pertaining to their social, environment and sustainable development, to be able to make comments on the completeness of the reporting and degree to which EY believes the report provides a fair and honest representation of the Company's activities.

We also performed such other procedures as we considered necessary in the circumstances.

Emphasis of matter

The assurance scope excludes:

- Data and information outside the defined reporting period of: Environment- 01st January 2021 to 31st December 2021, Human Resources (HR) – 1st April 2021 to 31st March 2022;
- Data and information on economic and financial performance of the Company;
- Data, statements and claims already available in the public domain through Annual Report, Sustainability Report, or other sources;
- The Company's statements that describe the expression of opinion, belief, inference, aspiration, expectation, aim or future intention;
- The Company's compliance with regulations, acts, guidelines with respect to various regulatory agencies and other legal matters.

Conclusion

- Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the sustainability report for the period of Environment- 01st January 2021 to 31st December 2021, Human Resources (HR) – 1st April 2021 to 31st March 2022 in order for it to be in accordance with the Criteria.

Restricted use

- This report is intended solely for the information and use of Richemont International S. A. and is not intended to be and should not be used by anyone other than Richemont International S. A.

Chaitanya Kalia
For and on behalf of Ernst & Young Associates LLP.
27 May 2022
Mumbai, India

We Craft the Future

RICHEMONT