

A large, mature tree with dense foliage in shades of green, yellow, and orange, partially obscured by a thick mist or fog. The background shows a hazy, mountainous landscape under a bright sky.

# Executive Summary

Non-Financial Report  
2025

**RICHMONT**

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# Executive Summary

Sustainability at Richemont is driven by a common framework to harmonise strategies, with a centralised oversight, to conduct business responsibly across Maisons and regions.

This framework has been embedded further during the year to ensure a consistent application of policies and risk management, and to foster collaboration across the Group and with external partners.

## Sustainability Approach

Richemont's sustainability approach is rooted in the Group's values and culture. The Group has developed a risk-based approach to manage its business responsibly and has continued to embed its ESG Management System, which plays a key role in guiding actions with greater attention to accountability, governance, policies, training and capacity building, as well as to the quality and consistency of ESG data.

This was illustrated by the update of the Group's Standards of Business Conduct in FY25, reflecting a focus on ethical and sustainable principles.

Richemont has furthermore updated its Materiality Assessment. The Group is moving towards a Double Materiality Assessment, whereby impacts on people and the environment, and the risks and opportunities for the business, are assessed in tandem. The updated FY25 assessment highlights, amongst other points, that the most material potential environmental and social impacts and risks are primarily linked to activities within the upstream value chain. The most material positive impacts focus on social topics, namely the promotion of talent and skills development, the preservation of cultural value and heritage, and nurturing of a new generation of artisans. Furthermore, the assessment confirms the importance of the Group's business conduct, and policy, legal, market and reputational risks within the Group's financial materiality.

Embedding sustainability into the Richemont culture requires the building of internal knowledge and capacity on sustainability matters and standards. For this purpose, the Group is investing in the Richemont Sustainability Academy platform, whose training catalogue is reviewed continuously to align with the business' needs.

## Environment

Richemont continuously endeavours to manage and reduce its environmental impacts, including climate-related concerns, responsible resource use, biodiversity and ecosystems, and pollution, across its operations and supply chains. The Group adheres to recognised environmental and climate-related policies, standards and certifications. Richemont is working to reduce its contribution to climate change by decreasing Greenhouse Gas (GHG) emissions from both its direct operations and supply chains, in line with its Science Based Targets.

A key component of its approach in FY25 included the development of a process for the planning of the transition to a low-carbon economy, building upon the targeted reduction of Scope 1 and 2 GHG emissions. Across its owned buildings, including offices, warehouses, Customer Service and manufacturing facilities, the Group is implementing measures to reduce energy usage, improve energy efficiency, and promote the use of renewable energy.

In FY25, Richemont conducted a climate physical risk assessment for the Group's operational sites. This assessment aimed to identify potential climate-related risks arising from shifts in weather-related hazards, such as extreme weather events, water scarcity, and other environmental hazards.

Furthermore, the Group's environmental data reporting framework has been reshaped systematically to ensure consistent reporting and a better understanding of the Group's environmental performance. The revised framework also aligns environmental and financial reporting periods to facilitate better integrated reporting and data analysis.

The Polyvinyl Chloride (PVC) phase-out initiative is an example of Richemont's efforts to reduce its environmental impact by phasing out the sale of products containing PVC in its stores and to wholesalers, including packaging and gifts. PVC has been added to Richemont's Product Restrictive Substances List to ensure its permanent phase-out. Another example can be found in the Circle Materials Platform, which facilitates the circular use of unused stock for alternative purposes.

## Social

Rooted in its shared values, the Group aims to create amongst its employees a sense of belonging, valuing courage, empathy, curiosity, integrity, solidarity in its ways of working, as well as fostering a mature leadership culture which promotes responsibility and accountability. The Group supports its people throughout the full employee journey, from talent attraction to career development, employee engagement and management, and focuses on creating an inclusive environment through various actions including its EQUAL-SALARY certification.

The Group takes a long-term approach to talent attraction, recruiting people not just for their first role, but also for their potential and ability to learn and develop. Ongoing performance management and development are recorded in the 'My Performance Journey' platform. This connects employees' annual performance reviews with their growth and development needs and is supported by a comprehensive learning and development programme. In parallel, Richemont supports apprenticeships and internships, and builds partnerships with schools and universities to preserve craftsmanship to help sustain the luxury industry. A prime example is the Richemont Creative Academy, founded in 2003; a design school that selects and trains young creative talents to design luxury jewellery, watches and fashion accessories.



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Its Health and Safety Management System is underpinned by its Health and Safety Statement, published in FY25. It sets out how the Group manages health and safety matters, maintaining a safe and healthy workplace, preventing accidents, engaging with employees and ensuring compliance as well as continuous improvement.

### **Supply Chain**

Richemont is encouraging responsible conduct within its supply chains. The Group recognises that the sourcing of core raw materials, indirect goods, and services must meet the quality standards and comply with applicable regulations, requiring an increasingly transparent supply chain model.

The Group adopts a risk-based approach, continuously enhancing its management systems to address risk assessment, due diligence and stakeholder engagement. The Group's risk assessment methodology incorporates ESG risk mapping, and leverages both country-specific and industry-specific risks identified by international standards and risk indices.

A dedicated function is responsible for implementing Group-level supply chain policies and standards. The Supplier Code of Conduct (SCoC), Raw Material Sourcing Policy, Group Procurement Policy and Group Responsible Sourcing Handbook define a common framework, aligned with recognised international standards and guidelines. In FY25, the SCoC was revised to reflect the rapidly evolving ESG landscape and the increasing importance of value chain accountability.

### **Governance**

Sustainability is firmly embedded at the highest governance level of the Group, with oversight by the Board of Directors, with the support of the Governance and Sustainability Committee (G&SC or the 'Committee'). The Committee regularly updates and reports to the Board of Directors and reviews all management proposals regarding the sustainability framework.

The G&SC supports the Board in establishing and reviewing strategy, policies and guidelines that encompass all aspects of Richemont's ESG framework and provides it with regular updates and reports. The Chief Executive Officer, Chief Finance Officer, and Chief Sustainability Officer of the Group are permanent attendees of the G&SC and members of the Senior Executive Committee, Richemont's executive management body responsible for overseeing the management of sustainability performance and reporting.

Supporting its transparent approach, Richemont's Speak Up Platform provides a channel for employees and third parties to report concerns, forming a fundamental part of the Group's governance and ethical framework. The Group learns from the issues raised and adapts its business practices accordingly.

In FY25, key governance developments included the adoption of the Group's Anti-Bribery and Corruption Policy, as well as the introduction of new guidelines on data and artificial intelligence (AI) security and governance, accompanied by eLearning modules.



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