CSR webinar for sell-side analysts
March 2021
All information contained herein related to calendar year 2019

Calendar year 2020 information will be released with the 2021 Sustainability Report due in July 2021
Our ‘Movement for Better Luxury’ is supported by four focus areas:

- People
- Sourcing
- Environment
- Communities

These four areas are driven by:

- Strong governance
- Active engagement
- Continuous innovation in materials and processes
Management of CSR at Richemont:

**Board of Directors**
- CFO
  - Member of the Board of Directors and the Senior Executive Committee

**Governance and Sustainability Committee**
- 4 Non-executive Directors, including the Lead Independent Director (Chairman)
- 3 ESG specialists
- Invitees: 3 senior executives (including the CFO) and 5 other executives

**Group CSR Director**

**Group CSR Committee**
- Representatives from Maisons
- Representatives from Internal Functions
- Invitees: 4 Non-executive Directors including the Lead Independent Director

**CSR Function**
### Materiality Matrix

- **Human rights & labour standards in the supply chain**
- **Transparency and traceability of raw materials**
- **Biodiversity**
- **Circular economy**
- **Diversity & inclusion**
- **Positive social impact**
- **Climate change & other environmental impacts**
- **Craftsmanship**
- **Governance & ethics**
- **Health, safety & employee well-being**
- **Packaging & waste**
- **Trade in protected species & animal welfare**
- **Non-governmental (NGO) & civil society engagement**
- **Community investment**
- **Customer experience**
- **Data protection & cyber security**
- **Product design, creativity & quality**
- **Talent & lifelong learning**

**Top priority material issues**

**Other material issues**

**Issues managed as part of being a responsible, well-run business**
### GEN Z MATERIALITY MATRIX

<table>
<thead>
<tr>
<th>Impact on the business</th>
<th>Higher</th>
<th>Top priority material issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Non-governmental (NGO) &amp; civil society engagement</td>
<td>Higher</td>
<td>Climate change &amp; other environmental impacts</td>
</tr>
<tr>
<td>• Community investment</td>
<td>Top priority</td>
<td>Transparency and traceability of raw materials</td>
</tr>
</tbody>
</table>

#### Importance to stakeholders

- Biodiversity
- Circular economy
- Diversity & inclusion
- Positive social impact

#### Issues managed as part of being a responsible, well-run business

- Craftsmanship
- Customer experience
- Data protection & cyber security
- Governance & ethics
- Health, safety & employee well-being
- Human rights & labour standards in the supply chain
- Packaging & waste
- Product design, creativity & quality
- Talent & lifelong learning
- Trade in protected species & animal welfare

- Community investment
FOCUS AREA: PEOPLE

Commitment: to offer a caring, safe and inclusive work environment where our people keep on learning, and feel empowered to act and innovate by:

- Contributing to the overall wellbeing of our employees
- Providing lifelong learning to preserve craftsmanship and enhance the employability of our people
- Promoting diversity, equity and inclusion within our workforce

- 66,724 completed training sessions, covering 46% of workforce
- 50% of managers are women
- c. 125 nationalities working together
KEY INITIATIVES/AREAS OF PROGRESS

› Supporting continued learning and professional development through 7 schools (incl. Creative Academy, Retail academy and watchmaking/jewellery making schools) and online L&D programmes

› Group DEI Director appointed January 2019
  ▪ Global DEI community: 3 regional heads, 40 DEI Champions, Group DEI Council and local DEI boards
  ▪ Permanent seat at our Corporate and Sustainability Committee

› Participation in the NY Fashion Tech Lab 2021 Program

› RAISEfashion in partnership with another nonprofit, #ANTIRACISMFUND, have created a pipeline internship programme from Historically Black Colleges and Universities (HBCUs)
FOCUS AREA: SOURCING

Commitment: to sourcing responsibly – respecting responsible business practices, human and labour rights, animal welfare and the environment

We will continue to work collaboratively with industry organisations and our business partners to promote best practices across our full supply chain

- Securing responsible practices in our supply chains and sourcing activities, with rigorous due diligence
- Implementing transparency and traceability in raw material sourcing
- Promoting care for the environment
- Delivering positive social impact

Our long term goal is the traceability of all raw materials used in our products

Over 95% of the gold we purchase is RJC ‘Chain of Custody’ (CoC) certified and comes from recycled origins, usually industrial scraps or old jewellery

We ensure 100% of our diamonds are natural, untreated and Kimberley Process certified

C. 100% of our Tier 1 diamond suppliers are ‘Code of Practices’ (CoP) certified by the Responsible Jewellery Council (RJC)

Over 90% of the leather we use for leather goods products comes from bovine sources, and with 100% of our bovine leather being a by-product of the food industry
KEY INITIATIVES/AREAS OF PROGRESS

› **Gold:** Varinor, the Group’s wholly-owned refining entity, acts as a “centre of excellence” for all topics related to gold sourcing, giving Richemont control over its supply chain. We use OECD principles to exercise rigorous due diligence on our gold supply chains, including regular third-party audits.

› **Diamonds:** We are working to map our Tier 2 suppliers to onboard them RJC CoP; OECD-based due diligence process, as well as a complaints mechanism to handle breaches or offenses.

› **Coloured stones:** We have started work to ensure all of our Tier 1 suppliers for rubies, sapphires and emeralds are RJC CoP 2019 certified; OECD-based due diligence process, as well as a complaints mechanism to handle breaches or offenses.

› **Leather:** We have partnered with third parties (BSR, Leather Working Group, ISO 14001, ICEC, ITECH and others) to define best animal welfare and environmental practices, promote traceability and monitor the network. At each stage of the supply chain (husbandry, slaughter, tannery, manufacturer), we have clear areas of focus. We are aiming to source close to 100% European cattle, up from 80% currently, to help reduce GHG emissions; audits in line with ETI standards for manufacturers at Tier 1, 2 and tanneries.

› **Exotic skins:** We have undertaken extensive work to map, mitigate and audit the risks in our supply chain. The Group has partnered with a number of third parties (CITES, IUCN, ICFA, SARCA) to define best animal welfare and environmental practices, promote traceability in the supply chain and monitor the network. At each stage (natural habitat, farms, tanneries and manufacturers), there are clear focus areas, including projects to protect wetlands, biodiversity conservation and carbon sequestration; audits in line with ETI standards.

› **Textiles (F&A Maisons):** “journey” has started with the launch of a Group task force to map our textile supply chain and formulate a comprehensive strategy and targets across our F&A Maisons.
Commitment: to reduce our environmental impact and design sustainable products by:

- Embedding circularity in our products and business models
- Ensuring a high level of environmental stewardship across all activities
- Minimising our greenhouse gas, water and waste footprint

**Carbon neutral** with offsets since 2009

Since 2010, **100%** of our new manufacturing facilities have been designed with special care for the environment

**64%** of the electricity used in our buildings is generated from renewable sources such as hydro, solar or wind

Targeting **100%** by 2025

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Peace Parks Foundation, Maputo Special Reserve
KEY INITIATIVES/AREAS OF PROGRESS

› **Circularity**
  - Watchfinder in market of pre-owned watches
  - Focus on recycled gold rather than newly mined gold
  - Timelessness of our products (passed on to generations or sold at auction houses and other platforms)

› **Carbon footprint:** committed to developing Science-Based Targets

› **Waste and water data:** committed to collect data and file CDP Water questionnaire in 2021

› **Plastic Shift Initiative:** studying types and volumes used by all Maisons with aim to reduce

Richemont joined the **RE100 initiative** in February 2021
FOCUS AREA: COMMUNITIES

Our mission is to ensure that Richemont’s global activities benefit those communities within the Group’s orbit; We focus our efforts on:

- Providing support to our communities in ways that align with the values of our Maisons and businesses, 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

5,203 Hours of volunteering time by employees around the world in 2019

FY20 community spend

- 32% Arts & Culture
- 22% Social & Eco. Dev.
- 18% Natural Resources
- 17% Sports
- 11% Health & Welfare

€34 million
KEY INITIATIVES/AREAS OF PROGRESS

› Some of our foundations

  ▪ **The Michelangelo Foundation** celebrates and preserves master craftsmanship while strengthening the connection between craftsmanship and the world of design

  ▪ **Laureus** to harness the power of sport to promote social change and celebrate sporting excellence

  ▪ **Fondation Cartier pour l’art contemporain** to promote both new and world-renowned artists

  ▪ **Peace Parks Foundation** supporting sustainable economic development, the conservation of biodiversity and regional peace and stability

› Other community initiatives

  ▪ Cartier joins **Lion’s Share Fund, led by UNDP**, to tackle the crisis in nature, biodiversity and climate

  ▪ Montblanc initiatives with **UNICEF** to promote children’s education and literacy

  ▪ Van Cleef & Arpels developed a partnership with **Bibliothèques Sans Frontières** (Libraries Without Borders)
CSR RATING AGENCIES AND INDICES

Richemont has been rated by the following agencies

<table>
<thead>
<tr>
<th>Agency</th>
<th>Score as of March 2021</th>
<th>Rank</th>
<th>Out of</th>
<th>Best in class</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDP</td>
<td>A-</td>
<td></td>
<td></td>
<td>A</td>
<td>Improved from B in prior year</td>
</tr>
<tr>
<td>Sustainalytics</td>
<td>11.3</td>
<td>6</td>
<td>174</td>
<td>Top 3%</td>
<td>NA Improved from #3 to #2 for peers of similar market cap</td>
</tr>
<tr>
<td>MSCI</td>
<td>AA</td>
<td>2</td>
<td>11</td>
<td>Top 18%</td>
<td>AAA Only one company rated AAA = Adidas in our universe</td>
</tr>
<tr>
<td>S&amp;P Global (RobecoSAM)</td>
<td>26</td>
<td></td>
<td></td>
<td>64th percentile</td>
<td>87 Industry average of 31</td>
</tr>
<tr>
<td>ISS ESG</td>
<td>C-</td>
<td>19</td>
<td>90</td>
<td>Top 30%</td>
<td>B- Best rated peer is at C+</td>
</tr>
<tr>
<td>Vigeo Eiris</td>
<td>54</td>
<td>4</td>
<td>20</td>
<td></td>
<td>Score has increased each over the last 2 years, rated &quot;Robust&quot;</td>
</tr>
</tbody>
</table>

Above information as provided by respective rating agencies

Richemont is part of a number of ESG indices

- SXI Swiss Sustainability 25
- STOXX® Global ESG Leaders indices
- SPI ESG Select Total Return Index
- MSCI Switzerland ESG Leaders Index
TRAJECTORY

› Commitments
  - Foundational: to be completed by 2020
  - Aspirational: begin reporting progress in 2021, to be achieved by 2023
  - Transformational: begin reporting progress in 2021, to be achieved by 2025

› Sustainability continues to evolve through active stakeholder engagement
  - Disclosures steered to the Sustainable Development Goals (SDGs), including mapping of issues
  - Acceleration of our project to set Science Based Targets for decarbonising our business operations
  - Reporting methodology will evolve to report on gaps between GRI Standards (our current methodology) and SASB
## KEY AREAS OF PROGRESS IN 2019/20 - PEOPLE

<table>
<thead>
<tr>
<th>Foundational</th>
<th>Measure</th>
<th>Target by December 2020</th>
<th>Progress to 31st March 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comply with relevant employment regulations worldwide</td>
<td>Local inputs</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>External databases</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Compliance Officer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Connect all people to our Learning Management System (LMS) and the digital</td>
<td>Local inputs</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>workplace</td>
<td>LMS / GIS Reporting</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Google Analytics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>“Explorer” programme for fast-track development</td>
<td>LMS</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Group HR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Implementation of Remote working / flexible working offer in different</td>
<td>Local HR input</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>countries and Maisons</td>
<td>Engagement</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Barometer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roll-out the global volunteering framework and intensify volunteering</td>
<td>SAP HR</td>
<td>100%</td>
<td>80%</td>
</tr>
<tr>
<td>activities worldwide</td>
<td>Local HR input</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Local CSR input</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Identify a tool to list the hazardous chemicals used within the Group and to</td>
<td>Tool in place</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>manage hazardous chemicals safety data sheets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Identify a tool to improve incident reporting and data quality in order to</td>
<td>Tool in place</td>
<td>100%</td>
<td>30% - Temporary solution</td>
</tr>
<tr>
<td>obtain reliable information, including RIR (Reportable Incident rates) and</td>
<td></td>
<td></td>
<td>implemented</td>
</tr>
<tr>
<td>LWD (Lost Work Days)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
KEY AREAS OF PROGRESS IN 2019/20 - SOURCING

<table>
<thead>
<tr>
<th>Topic</th>
<th>KPI</th>
<th>Target</th>
<th>Progress at March 31 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier Code of Conduct</td>
<td>Supplier Code of conduct signed - Watch/jewellery</td>
<td>95%</td>
<td>96%</td>
</tr>
<tr>
<td></td>
<td>Supplier Code of conduct signed - Leather</td>
<td>95%</td>
<td>94%</td>
</tr>
<tr>
<td></td>
<td>Supplier Code of conduct signed - Marketing material</td>
<td>90%</td>
<td>86%</td>
</tr>
<tr>
<td>RJC Certification and CSR audits</td>
<td>RJC COP certification jewellery</td>
<td>95%</td>
<td>98%</td>
</tr>
<tr>
<td></td>
<td>RJC COP certification watches</td>
<td>95%</td>
<td>94%</td>
</tr>
<tr>
<td></td>
<td>Leather: all manufacturers and networks are audited</td>
<td>94%</td>
<td>98%</td>
</tr>
<tr>
<td></td>
<td>Leather: all tanneries and networks mapped</td>
<td>90%</td>
<td>94%</td>
</tr>
<tr>
<td>Governance</td>
<td>Gold</td>
<td>Implemented</td>
<td>Yes. Gold sourcing committee</td>
</tr>
<tr>
<td></td>
<td>Leather</td>
<td>Implemented</td>
<td>Yes. Leather CSR committee</td>
</tr>
<tr>
<td></td>
<td>Diamonds</td>
<td>Implemented</td>
<td>No. In progress</td>
</tr>
<tr>
<td></td>
<td>Colored stones</td>
<td>Implemented</td>
<td>No. Starting</td>
</tr>
</tbody>
</table>
**KEY AREAS OF PROGRESS IN 2019/20 - COMMUNITIES**

<table>
<thead>
<tr>
<th>Foundational</th>
<th>Target by December 2020</th>
<th>KPIs</th>
<th>Progress at March 31st 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communities Toolkit</td>
<td>Update and share the Communities Toolkit with all relevant stakeholders.</td>
<td>done/ not done</td>
<td>100% done</td>
</tr>
<tr>
<td>Communities Policy</td>
<td>Share and communicate the Communities Policy with all relevant stakeholders.</td>
<td>done/ not done</td>
<td>100% done</td>
</tr>
<tr>
<td>Communities Themes</td>
<td>Review existing community investment-related Maison initiatives and advise on the strategic alignment of themes with objectives.</td>
<td>done/ not done</td>
<td>Work in progress 25%</td>
</tr>
<tr>
<td></td>
<td>Work to develop Communities themes.</td>
<td>done/ not done</td>
<td>100% done</td>
</tr>
<tr>
<td>Group Volunteering</td>
<td>Validation of the Volunteering Framework.</td>
<td>done/ not done</td>
<td>80%</td>
</tr>
<tr>
<td></td>
<td>Support in raising awareness of the Volunteering Framework.</td>
<td>done/ not done</td>
<td>Once validated</td>
</tr>
<tr>
<td></td>
<td>Research and propose a way forward for the improvement of volunteering reporting.</td>
<td>done/ not done</td>
<td>70%</td>
</tr>
<tr>
<td>Communities Forum</td>
<td>Reconvene the Communities Forum, a platform for the sharing of information, ideas and CSR updates.</td>
<td>done/ not done</td>
<td>100% done</td>
</tr>
</tbody>
</table>
## KEY AREAS OF PROGRESS IN 2019/20 - ENVIRONMENT

<table>
<thead>
<tr>
<th>Foundational</th>
<th>Target</th>
<th>Measure</th>
<th>Progress to 31st March 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establish a waste taxonomy, including plastic</td>
<td>All industrial sites</td>
<td>done/not done</td>
<td>100% completed</td>
</tr>
<tr>
<td>Inventory of systems in place for waste recycling</td>
<td>All industrial sites</td>
<td>done/not done</td>
<td>0% completed</td>
</tr>
<tr>
<td>Implement Energy Management checklist</td>
<td>Group HS&amp;E audits (20 p.a.)</td>
<td>done/not done</td>
<td>25% completed</td>
</tr>
<tr>
<td>Reduce plastic in branded packaging</td>
<td>Monitoring of branded packaging &amp; Action plan</td>
<td>Yearly consumption by category &amp; documented plan</td>
<td>80% completed</td>
</tr>
</tbody>
</table>
At Richemont, we craft the future

Buccellati • Cartier • Van Cleef & Arpels •
A. Lange & Söhne • Baume & Mercier • IWC • Jaeger-LeCoultre • Panerai • Piaget • Roger Dubuis • Vacheron Constantin •
Watchfinder & Co. • NET-A-PORTER • MR PORTER • THE OUTNET • YOOX • ONLINE FLAGSHIP STORES •
Alaïa • AZ Factory • Chloé • dunhill • Montblanc • Peter Millar • Purdey • Serapian