

Corporate Social Responsibility

Richemont has a long-standing commitment to doing business responsibly. Building trust in our Maisons and our businesses lies at the heart of the way we work. Richemont has reported its Corporate Social Responsibility ('CSR') progress every year since 2006. Richemont's 2022 Sustainability Report, including our latest developments and relationship with the United Nations Sustainable Development Goals ('SDGs'), will be available from June 2022 at <https://www.richemont.com/en/home/sustainability/reports-policies/>

Richemont has been a participant in the United Nations Global Compact since 2013.



Transformational CSR Strategy

To meet our stakeholders' evolving expectations, the Group's Transformational CSR Strategy ('Strategy') was elaborated by the CSR Committee in collaboration with our Maisons and support functions. The Strategy includes our commitments over the short, medium and long term. We have grouped these commitments into Foundational, Aspirational and Transformational. Foundational commitments were largely delivered by December 2021, while Aspirational and Transformational commitments are targeted for delivery by December 2022 and 2025, respectively. Together, the Strategy and its commitments represent Richemont's Movement for Better Luxury.

The Strategy's four focus areas, people, sourcing, environment and communities, work together towards Better Luxury. The Strategy's three transversal issues, governance, engagement and innovation, bind those focus areas together. Each is summarised below, together with some of the highlights of the past year and progress against our commitments. Those commitments, targets and performance indicators may be found within the 2022 Sustainability Report. In addition, the corporate website is regularly updated with our highlights at <https://www.richemont.com/en/home/sustainability/sustainability-news/>

Governance

The Group's activities are guided by a framework that helps Richemont managers, employees and suppliers to understand our expectations and commitments. The framework includes our Corporate Responsibility Policies, as well as codes of conduct for employees, suppliers and environmental management.

Internally, the Group monitors performance by focus area and by Maison, providing additional guidance and support when appropriate. This monitoring includes oversight of our Maisons' own CSR governance, planning and communications. Such CSR matters are increasingly important to their customers, who seek to make responsible luxury purchases.

The Board establishes and reviews the Strategy and management's performance via its Governance and Sustainability Committee, which supports the Board in establishing and reviewing policies and guidelines with regards to Environment, Social and Governance ('ESG') matters:

- Environment – it reviews and approves management proposals regarding CO₂ targets, climate change and biodiversity.
- Social – it reviews and approves management proposals regarding Diversity, Equity and Inclusion ('DEI') as well as matters regarding human and workplace rights and positive social impacts within the Group's operations, its supply chain and the communities in which it operates.
- Governance – it reviews and approves any material amendment to existing strategic plans relating to CSR, ESG, sustainability and any of their components.
- The Committee approves disclosures in the audited annual Sustainability Report and the Group's separate disclosures regarding Science Based Targets ('SBTs') and DEI.

The Committee comprises four non-executive directors: Ms Jasmine Whitbread (Committee Chair); Mr Clay Brendish (former Committee Chair and Lead Independent Board Director); Ms Wendy Luhabe; and Mr Guillaume Pictet. To facilitate its review of particular matters, two consultants regularly attend its meetings: Mr Benjamin Firmenich, an impact finance specialist; and Ms Sandra Macleod, an Expert Witness on reputation and an international leader in communication research.

Dr Bérangère Ruchat was appointed as Richemont's first Chief Sustainability Officer in February 2022. Building upon Richemont's top-ranking achievements in ESG reporting and commitment to SBTs, she brings her deep sustainability expertise and collaborative track record to further develop the Group's vision and step up its sustainability ambition.



The 2022 Sustainability Report was independently assured by EY. Such assurance brings continuous improvements to the quality of our report and related systems, as well as greater confidence for the users of our report.

Engagement

Richemont and its Maisons engage with stakeholder groups on a regular basis. These groups range from customers and employees to investors and suppliers. Regarding investors, we consult with our largest shareholders to determine their concerns and priorities regarding CSR issues and disclosures. We also engage with selected rating agencies on ESG matters.

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To ensure continued alignment between stakeholder interests and our Strategy, a Materiality Assessment is conducted every three years. The assessment conducted during the year under review used the double materiality approach, in line with best practice. This approach assesses materiality in two ways: Richemont's impacts on the environment, people and the economy (impacts outwards); and sustainability issues that influence Richemont's financial value (impacts inwards). The assessment identified 18 material issues in total, of which four were deemed the most important. In alphabetical order, the four are: Conflict minerals; Customer expectations and sustainability choice; Human rights and labour standards; Transparency and traceability of raw materials.

In addition, at the Group level we continuously review the reporting environment in areas such as Task Force on Climate-related Financial Disclosures ('TCFD') for climate-sensitive scenarios, and the outcome of proposals from the Global Reporting Initiative ('GRI'), International Sustainability Standards Board ('ISSB'), Sustainability Accounting Standards Board ('SASB'), Value Reporting Foundation ('VRF') and other relevant standard setters.

At a local level, each Maison and platform has its own CSR structure, driving strong engagement and communications with employees and customers. Those communications have been boosted by Richemont's updated website, which provides a platform for dynamic reporting. In addition, the annual Sustainability Conference, which brings together our local, international and corporate experts, further strengthens internal networks. More than 200 colleagues attended the most recent Sustainability Conference, held online in January 2022.

To engage all employees in the Strategy and its progress, July 2021 saw the launch of our Twelve Movements for Better Luxury campaign. Intranets and social media channels hosted short videos, games and quizzes to create a lively discussion among colleagues worldwide. Each month, strategic progress within one of the four focus areas was highlighted. For example, in August employees could deepen their understanding of SBTs, while in October they learned about our industry-leading efforts in the gold supply chain and traceability.

A continuous programme of training for CSR representatives, Richemont's CSR Faculty, powered by the University of Cambridge Institute for Sustainability Leadership, ensures that momentum is maintained between annual conferences. In turn, that programme continuously supports the employee communication and engagement efforts, including the Twelve Movements for Better Luxury.

Linked to our Strategy, a Group Identity project has identified values and behaviours which characterise Richemont. These appear on the new website and throughout corporate materials such as our Standards of Business Conduct.

Innovation

Our innovative practices range from new materials to new distribution models and from new ways to collaborate internally to new ways to improve customer service.

Many innovations contribute to our Movement for Better Luxury, including experimentation with circular business models such as pre-owned watches, fashion and accessories. Examples include the international expansion of Watchfinder&Co's operations and a new partnership between NET-A-PORTER and Reflaunt.

Other long-term innovative commitments include traceability for certain materials using digital technologies. The Aura Blockchain Consortium is an example of Richemont's collaboration with industry peers to communicate authenticity, responsible sourcing and sustainability in a secure digital format.

Richemont's collaborations with peers extends to multiple supply chain initiatives, which are summarised in the Sourcing section below. More broadly, the Watch & Jewellery initiative 2030 ('W&Ji2030') represents an innovative, ambitious and collaborative programme for our industry. Together, Cartier, Kering and the Responsible Jewellery Council ('RJC') seek to build climate resilience, preserve resources and foster inclusiveness.

During the year, the RJC established an SDGs Taskforce. The Taskforce is creating a platform to benchmark its members' progress in the implementation of the 17 SDGs. In that way, each member and the industry they represent can credibly contribute to the United Nations' 2030 Agenda. The Taskforce is also developing ESG reporting tools to improve transparency in this area.

In October 2021, Chloé achieved B Corp Certification following 18 months of worldwide teamwork. By becoming a B Corp, Chloé commits to a continuous improvement process, using business as a force for good to benefit all people, communities and the planet.

People

Richemont directly employs nearly 38 000 people in design, manufacturing, distribution, retail and support functions. Reflecting the location of our Maisons' manufacturing bases and international distribution centres, the majority of employees are based in Europe.

The strategic focus areas for our people are aligned with our Human Resources Vision: to foster a sense of belonging in all our colleagues, create a world of opportunities for them to grow, while experiencing a Journey of Becoming. Together, these contribute to lifelong learning to preserve craftsmanship and enhance the employability of our people. In parallel, we promote diversity and inclusion within our workforce and beyond. We believe these corporate efforts contribute to the overall wellbeing of our employees.

Training is a key component of our Maisons' success and is fully integrated in the performance and development appraisal process for every employee. The quality and longevity of our goods rely on highly skilled craftspeople, while our customers' satisfaction relies both on that quality and the passion of retail associates.

To preserve the skills of master craftsmen from one generation to the next, our Maisons engage a number of apprentices each year. The Group collaborates with the Watchmakers of Switzerland Training and Educational Programme ('WOSTEP') and the Fondation de la Haute Horlogerie. Richemont also supports the Creative Academy in Milan, which promotes the integration of design talents within the Group. Our Retail Academies provide platforms for recruiting and training personnel for our Maisons' boutiques across China and the US.

Growing attention to DEI matters has prompted training about unconscious bias, senior appointments and many other measures across the Group. The gathering of meaningful statistics has also progressed, enabling the identification of gaps to be filled and guiding our employment decisions. It is also guiding our decisions on supplier engagement for positive social impact, although that is at an earlier stage and is being developed as part of our Aspirational and Transformational commitments.

Richemont's progress in this focus area has been recognised by our own employees and external organisations. Forbes highly ranked Richemont in its World's Best Employers 2021 evaluation. That evaluation was based on respondents' willingness to recommend employers and their satisfaction with various work-related statements.

Sourcing

Richemont's full supply chain often lies beyond our direct control. We therefore work with our suppliers to ensure their social and environmental impacts meet our standards: individually through our Supplier Code of Conduct, which was updated to reflect the United Nations Guiding Principles for Business and Human Rights and related OECD Guidelines; and collectively through the RJC and other third-party certification standards.

Our Maisons are making good progress towards 100% RJC-certified gold. IWC Schaffhausen was the first watchmaker in the world to achieve Chain of Custody ('CoC') certification. To minimise their environmental impact, our Maisons give preference to gold from recycled sources rather than large-scale mines. For both environmental and social reasons, certain Maisons also source gold from artisanal and small-scale mines through the Swiss Better Gold Initiative.

Richemont and certain peers have supported the Coloured Gemstone Working Group ('CGWG') since 2015. During the year, the CGWG launched a community platform providing training tools and resources for companies in the coloured gemstone industry. The open-source platform enables more responsible business conduct, enabling companies to move towards RJC and other certifications.

In addition to their responsible sourcing of precious metals and stones, our Maisons have mapped their supply chains for certified leather and packaging from sustainable sources. Each year, between 100 and 200 suppliers are audited as part of the regular relationship with our Maisons. In addition, Richemont began using the SEDEX platform during the year, further enhancing the number of independently audited suppliers.

Responsible Jewellery Council

The RJC is the leading standard for the watchmaking and jewellery industry and is a member of the ISEAL Alliance. It promotes responsible, ethical, human rights, social and environmental practices in the gold, platinum and diamond supply chains.

The RJC's 1 600 corporate members span from mining houses to jewellery and watch retailers, together employing more than 300 000 people. All of our Maisons using precious metals, diamonds and gemstones are members and have been independently certified against its mandatory Code of Practices Standard.

The RJC's voluntary CoC Standard supports claims for responsibly sourced gold and platinum. A growing number of our Maisons and their suppliers have already elected to become CoC-certified. That Standard is the basis of our longer-term ambition to source 100% certified gold.

The RJC's standards continue to evolve and improve. Recent expansions have included silver, sapphires, emeralds and rubies, while planned expansions will reach all precious gemstones and related custody systems.

During the year, the RJC launched a consultation phase to establish a standard for Lab-Grown Materials such as synthetic diamonds. Such developments reflect demand within the jewellery sector for clarity on best practice for responsible business conduct for all raw materials.

In December 2020, the RJC launched its 2030 Roadmap, aligning the principles embedded in its Code of Practices with the United Nations SDGs. Richemont co-chaired the RJC's SDG Taskforce, which will determine the metrics and levers most appropriate to its broad membership, from mines to retail enterprises.

Further information may be obtained at www.responsiblejewellery.com

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Environment

Our Environmental Code of Conduct is built on internationally recognised standards for environmental management and includes industry-specific issues.

Richemont has set long-term SBTs to reduce its overall carbon intensity and absolute carbon emissions. Our SBTs to 2025 and to 2030 were independently validated in July 2021. Aligned with the Paris Agreement to limit climate change, our targets cover Scopes 1, 2 and 3. To prepare our Maisons and their employees for the changes required to meet those targets, Richemont has developed systems to capture action plans which should lower our carbon footprint and track the year-on-year effectiveness of those actions. We have also partnered with CDP Supply Chain to encourage our most important suppliers to set SBTs within their own operations. This collaborative approach is designed to lower not only our suppliers' carbon footprint and thus our own intensity, but also our suppliers' other customers and their suppliers. These compounding and measurable effects can only be achieved through a collaborative and system-based approach.

We minimise our buildings' emissions through eco-design and energy-saving measures. Richemont previously committed to 100% renewable energy by 2025 and is already close to reaching that goal. More recently, Richemont committed to owning 100% electric vehicles by 2030.

In parallel, Richemont has a long-standing programme of carbon offset purchases to neutralise its measured emissions (Scope 1, Scope 2 and Scope 3 logistics and business travel). The main beneficiary of those offset purchases is the Lower Zambezi REDD+ Project, protecting forests close to that river. The costs of offset purchases are reinvoiced to the Maisons to increase awareness and to encourage energy efficiency. During the year, certain Maisons opted to offset their entire carbon footprint: all Scope 1, 2 and 3. That decision and the additional costs associated with it underscore their commitment to limiting climate change. In parallel, those Maisons' action plans will reduce their carbon footprints in line with the Group's SBT commitments.

These Group reduction efforts build upon existing practices, which were rated 'A' by CDP Climate in 2021, placing Richemont amongst the world's climate leaders.

Our Environmental Performance Hub analyses the Life Cycle ('LCA') of the current and potential raw materials used in our Maisons' products. Such LCAs address carbon, biodiversity and certain social impacts and will guide our future sourcing decisions.

Regarding Richemont's impact on biodiversity, a long-term plan is being developed in consultation with international experts. The plan will complement the W&Ji2030 resource preservation commitments, mentioned in the innovation section above. In the meantime, Richemont became a member of the Taskforce on Nature-related Financial Disclosures ('TNFD') Forum and is closely following its technical developments around meaningful corporate reporting standards.



Communities

Our Maisons support global and local community programmes that reflect their historical and cultural background and the nature of their products. Individually, our employees contribute to the local communities in which they live and work in many ways, including volunteering. A Group Volunteering Policy was finalised towards the end of the year. It encourages every employee to dedicate some paid time to their local communities and will be supported by complementary systems to make such volunteering as enjoyable and impactful as possible.

Long-term community programmes financially supported by the Group include Cartier Philanthropy, Fondation Cartier pour l'art contemporain, Michelangelo Foundation for Creativity and Craftsmanship, Fondation de la Haute Horlogerie, Peace Parks Foundation and Laureus Sport for Good Foundation. The Group donated some € 42 million to these and other programmes.

Peace Parks Foundation



Peace Parks Foundation is reconnecting Africa's wild spaces to create a future for humankind in harmony with nature.

Climate change remains the most existential threat facing mankind, and globally, there is increasing recognition that the preservation of natural ecosystems is the most effective tool to mitigate this. Peace Parks Foundation's work in restoring terrestrial, freshwater and marine ecosystems, in transfrontier conservation areas across southern Africa, is therefore more essential than ever before.

Despite still working within the restrictions brought on by Covid-19, Peace Parks managed to celebrate some of its most significant milestones to date in 2021.

Over the past two decades Peace Parks translocated more than 15 000 keystone and prey species to areas that had previously been depleted of wildlife. Finally, this year, the Foundation was able to celebrate the return of apex predators. In Mozambique, working with the National Administration for Conservation Areas, a male and female leopard were reintroduced to Zinave National Park, whilst in Maputo Special Reserve, cheetahs were brought back after a 60 year absence.

This was closely followed by the official proclamation of Maputo National Park, which formally merged Maputo Special Reserve and Ponta do Ouro Partial Marine Reserve under one management structure. Bestowing national park status enhances the environmental protection of this spectacular and richly biodiverse wilderness, which Peace Parks has been supporting since 2006, and boosts the tourism appeal of the region, increasing the attraction for investors.



Since 1997, Peace Parks has been instrumental in the establishment of ten transfrontier conservation areas across southern Africa. The combined size of these 'peace parks' is more than 1 000 000 km² – making it the largest terrestrial conservation movement on Earth



Peace Parks pays tribute to the dedicated wildlife conservation staff and park rangers, who, supported by increasing investment in resources such as advanced technology, vehicles and K9 units, continue to bravely protect precious fauna and flora across vast landscapes, often under very difficult conditions

In Malawi, Peace Parks, with support from Germany's Federal Ministry for Economic Cooperation and Development ('BMZ'), through the German Development Bank ('KfW'), implemented crucial projects focused on water security, housing, mitigation of human-wildlife conflict, wildlife conservation, as well as various community development projects that measurably improved the lives of at least 100 000 people.

In recognition of the fact that ecosystem restoration must be paired with new and innovative ways of financing conservation, Peace Parks expanded its partnership with social enterprise BioCarbon Partners and forged new partnerships with Union Bancaire Privée and EarthToday to stimulate investment and funding in biodiversity.

A major stride forward in Peace Parks' communications strategy was the launch of Peace Parks TV. Since its launch, peaceparks.tv has accumulated more than 3 million views, immersing audiences in the challenges, adventures and highlights of the conservation work executed by the Foundation and its partners.

We would like to thank Richemont for once again donating funds raised during its Finance Conference in 2021, and extend our gratitude to each partner, donor and supporter for their role in helping us restore tomorrow.

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It is more than two decades since Richemont's support and belief founded the Laureus organisation comprising the Laureus World Sports Awards and the Laureus Sport for Good Foundation, and its mission to end violence, discrimination and disadvantage has never been more important

The purpose of Laureus is to improve the lives of young people around the world through the inspirational power of sport as a force for good. Since the beginning, the Laureus Sport for Good Foundation has been pursuing its mission to end violence, discrimination and disadvantage, using sport to create positive social change.

Originally conceived by Richemont Chairman Johann Rupert, with the support of some of the highest profile and successful athletes from across a wide range of sports and geographies, Laureus Sport for Good was launched in response to Nelson Mandela's famous words at the inaugural Laureus World Sports Awards in 2000: "Sport has the power to change the world. It has the power to inspire. It has the power to unite people in a way that little else does. It speaks to youth in a language they understand. It is more powerful than governments in breaking down racial barriers. It laughs in the face of all types of discrimination."

In 2021, Laureus once again brought those words to life via the 'Everyone Wins' campaign, highlighting to the world that while every sports competition has its winners and losers, every time sport defeats discrimination, sexism, racism, violence or other social challenges, everyone wins. Evidence of that is in the more than

250 community programmes that Laureus supports in 50 countries and territories around the world. Whether they are using boxing to help kids escape gangs in Rio de Janeiro, surfing to support the mental health of young people in Cape Town, basketball to get kids into college in New York, or rock climbing to create opportunity for young people with disabilities in Tokyo, Laureus' programmes are living proof of President Mandela's words.

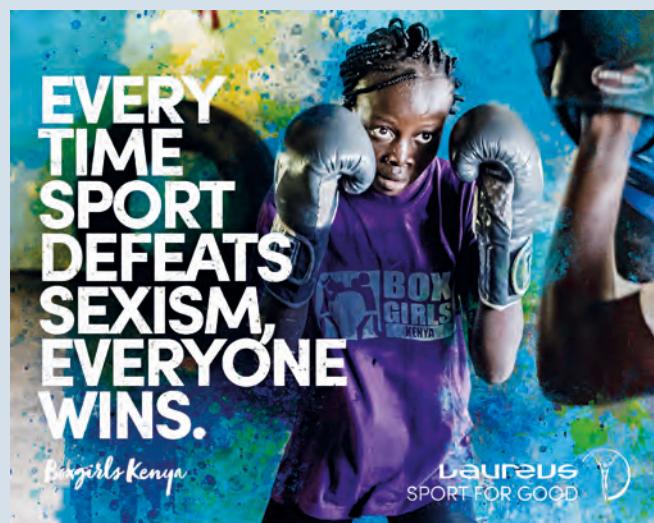
Over the past two decades, Laureus has helped change the lives of more than six million young people, each and every one of whom has benefited from the support that Richemont has provided to Laureus since day one.

That ongoing support includes donations from Richemont to support Laureus' programmes around the world, sponsorship of the Laureus World Sports Awards by IWC Schaffhausen, and initiatives with Maisons to facilitate the creation of products to raise funds to benefit Laureus Sport for Good. Richemont employees are also involved in a wide range of fundraising activities to support Laureus' work. Together, Laureus and Richemont continue to champion the concept that the power of sport can change the world, providing an opportunity to showcase the power of sport not just for building brands or raising awareness, but for changing lives.

Over some of the most volatile and uncertain times in memory, there has perhaps never been a more important time for the Laureus message. Athletes are using their platforms to highlight social challenges and Laureus provides the evidence for the power of sport to tackle social ills. Over the past twelve months, there has been ongoing recognition of that impact at the highest level. In October, the World Health Organization praised Laureus' work in their report: 'Fair Play: Building a strong physical activity system for more active people' as a "key action to unlock genuine impact" and highlighted that "Laureus' community impact model moves from traditional 'top down' grant making to collective, coalition-based community funding and decision-making. Its funding models also support knowledge sharing, partnership building and measuring long-term impact." The United Nations Department of Economic and Social Affairs, meanwhile, praised Laureus' contribution to their plan: 'Sport: a global accelerator of peace and sustainable development for all', citing Laureus as "a valued contributor to the report of the United Nations Secretary General," and adding "we believe that sport can play a critical role and encourage all to explore it as a cost-effective way to drive genuine social change."

Laureus Sport for Good may have become a global movement, but it is still deeply rooted in individual people and communities, and for the community of Richemont employees and Maisons, that is more true than ever.

For more information, go to www.laureus.com



Boxgirls Kenya uses boxing as part of a curriculum designed to build a society in which every girl holds the power to create opportunities for herself and others

Michelangelo Foundation



The Michelangelo Foundation for Creativity and Craftsmanship is a private, not-for-profit, international foundation based in Geneva, Switzerland, founded in 2016 by Johann Rupert and Franco Cologni. Its purpose is to champion craftsmanship, endorse and enable its artisans to sell their work and to sustain and grow their business in the long term.

Over the last year the Foundation has started to implement an evolved positioning and three-year strategy. Guided by a belief that human talent and its creative expression are fundamental to our existence, the Foundation aims to drive diversity within artisanship and demonstrate the value that craft plays in enriching our lives.



*King Houndekpinkou, Ceramist, France
One of the 350 artisans selected for Homo Faber event*

Its focus is expanding to encompass broader forms of craft and on a global scale. The digital platform Homo Faber Guide will reflect this evolution and at the end of March 2022 will represent over 1 500 artisans from 38 countries.

A thesis that articulates the value of craft on various levels – from social, economic, cultural and political, based on facts and academic rigour is in development. This will be leveraged to start a global dialogue from mid-2022 and beyond.

The team are implementing a new artisan endorsement system which redefines the journey of artisans from their first entry to craft throughout their career.

The Foundation seeks to inspire and enable a new generation to enter craft with specific education initiatives. Its Summer School that took place in Portugal in 2021 was focused on five metal crafts. The Trainee to Professional programme has been launched in January 2022 in Spain and France; it aims to support young craftspeople to take their first steps in the professional world.

A major focus has been evolving and building on the second edition of the Homo Faber event – a celebration of human talent, creativity, design and craftsmanship, held at the Fondazione Giorgio Cini, Venice, in April 2022. Imagined by a team of world-renowned curators and designers from four continents, the event showcases over 350 artisans and designers, from heritage master craftspeople to rising stars from over 40 countries. Over 450 of their unique creations, from functional everyday objects to outstanding decorative pieces, were displayed across 15 exhibitions. With a special focus on Japan, the event highlighted the country's venerated National Living Treasures, with their traditions and time-honoured skills.

The 2022 event put artisans at the forefront, in curation, programming, experiences and communications. This edition saw the launch of Homo Faber In Città, an immersive addition to the main exhibition. Artisanal addresses all over the city could open their doors to event visitors, who can design self-guided itineraries to experience the very best of Venetian craftsmanship. The event also showcased artisanal food and offered an elevated hospitality experience.

For more information on the Michelangelo Foundation, please visit: www.homofaber.com

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