STANDARDS OF BUSINESS CONDUCT
### Jewellery Maisons

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<th>Year of foundation</th>
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### Specialist Watchmakers

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### Online Distributors

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### Other

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*YOOX NET-A-PORTER GROUP (YNAP) is the result of a merger in 2015 of YOOX Group and NET-A-PORTER GROUP. The two companies were founded in 2000.
Introduction

Our Group Standards

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Application and Enforcement of Our Standards
OUR GROUP STANDARDS

These Standards of Business Conduct explain the rules and policies that apply to our work as part of our Group. They encompass the need to comply with applicable laws and regulations in all the countries where we operate our business.

In addition to our responsibility to comply with applicable laws and regulations, the culture and philosophy of our Group is based on the beliefs of integrity, honesty and respect. These beliefs underpin our business strategy. They define the way in which we work with clients, business partners, shareholders and each other. The rules and standards set out in this booklet flow from these beliefs. They shape the principles of good corporate governance that lie at the heart of how all parts of our Group conducts its business.

It is the responsibility of all employees, directors and temporary staff (together ‘employees’) to understand and apply these standards in our business relationships. Contractors, agents and consultants engaged on behalf of any Group company are expected to apply standards consistent with these standards. We will uphold these standards in all work-related activities, whether on our work premises or not, including at social events, business trips and client events.

The standards explain what we expect of each other in the way we conduct our business. They explain how we treat each other and everyone else we deal with. Likewise, we expect those doing business with us to treat our people with respect.

Depending on the relevant circumstances, any breach of these standards may lead to disciplinary procedures being taken. Employees have a duty to report incidences of non-compliance with the standards.

Jérôme Lambert
Group Chief Executive Officer

Burkhart Grund
Group Chief Financial Officer
OUR GROUP
STANDARDS
11. EQUALITY AND DIVERSITY

Group companies are committed to equality and diversity. We are committed to the principles of equal opportunity and equality of treatment through non-discriminatory procedures and practices. This applies to all employment, whether temporary, part-time or full-time. It also applies to our approach towards our clients and our business partners.

All aspects of the employment relationship – including employee management, work assignments, hiring, recruitment, training, promotion, compensation, benefits, transfers, layoffs, and leaves of absence – will be free from any form of discrimination.

We will respect and act in accordance with our equality and diversity standards. We recognise the value of creating a dynamic environment where a diverse workforce is valued as a source of enrichment and opportunity.

We respect the personal characteristics of colleagues and others in the workplace. We consider the views of others and welcome different perspectives. People from different backgrounds and experiences bring valuable insights to the workplace and enhance the way we work.

We make reasonable adjustments for employees with disabilities and special needs. We respect local laws and regulations where individuals have additional rights.
The Group is committed to maintaining a healthy work environment conducive to high performance through collaborative working and a positive and inclusive work culture.

We are entitled to work in an environment that is safe from threat and intimidation, be it physical or emotional. We do not tolerate demeaning or insulting attitudes or actions, explicit or implicit, towards another employee. We will take appropriate action against any employee inflicting awkward and uncomfortable working relationships, or any action that undermines performance levels, results, and the welfare of others.

Sexual harassment is not tolerated. This includes unwelcome sexual advances, requests for sexual favours, and other verbal or physical conduct of a sexual nature. It includes written or verbal comments of a sexual nature, and any behaviour that can be considered sexual harassment even if the ‘harasser’ did not mean for it to be.

Bullying is not tolerated. This includes persistent and premeditated offensive behaviour carried out with the intent to undermine the dignity, confidence or performance ability of a selected individual. Manifestations of bullying include power harassment (bullying or abuse conducted by managers), continual criticism, public humiliation, unrealistic assignments or extreme confrontational management style (not to be mistaken with firm management), all of which can lead to destructive work patterns.

We will ensure any employee who experiences sexual harassment or bullying is provided with necessary support and immediate action to end such behaviour.
1.3. HEALTH AND SAFETY

Group companies are committed to meeting their health and safety responsibilities. We will ensure that all employees understand how to work safely while performing work-related activities, including through the provision of information and training.

Management, supported by those with specific health and safety responsibilities, are responsible for providing safe workplaces and work environments, including reducing hazards in the workplace. We will monitor health and safety performance and will take the necessary measures to improve health and safety standards and practices.

We will ensure that contractors and third parties are competent and understand their health and safety responsibilities. They will be given relevant health and safety information to undertake their responsibilities, and will be managed, monitored and reviewed as required to ensure they sufficiently discharge their responsibilities.

Employees are responsible for taking care of their own health and safety. They are also responsible for the health and safety of others who might be affected by their actions or omissions, for example work colleagues and visitors to our offices and other premises.

Employees will report any concerns about unsafe working practices and will report all accidents and near misses.

Employees will act responsibly and avoid reckless behaviour. They must not work or represent their company whilst under the influence of illegal drugs. Any employee using, selling or in possession of illegal drugs while performing work-related activities will be subject to disciplinary procedures. The use of legal drugs should be in accordance with medical instructions, including to ensure they do not negatively affect character and judgement.

Alcohol consumption is permitted where appropriate, such as during business or staff entertaining, but should be consumed in safe limits and reckless behaviour should be avoided. Employees should ensure that their consumption of alcohol is also in compliance with local laws.
1.4. REPORTING CONCERNS AND WHISTLEBLOWING

The Group takes all employee concerns seriously and they will be addressed in a fair, honest and timely manner.

Any employee who suspects wrongdoing within the Group is encouraged to raise their concern informally within the relevant Group company, and management are responsible for dealing with it appropriately.

Where an employee wishes to report a formal concern about a wrongdoing, they should raise it, in confidence, through their local internal escalation procedure to the Head of HR or the CEO ('appropriate persons'), or through any other relevant channel available locally, such as an ethics hotline. Group companies are permitted to implement local whistleblowing policies, and such policies should identify locally-based (and, where appropriate, regionally-based) ‘appropriate persons’, and enable employees to raise concerns in a language with which they feel comfortable.

Alternatively, a formal concern may be raised with the Group Head of Internal Audit.

Formal whistleblowing concerns raised under this standard will be investigated fully, and the identity of the person raising the concern will be kept confidential.

Examples of suspected wrongdoing include:
- the commission of a criminal offence;
- a failure to comply with any legal obligation or any other unlawful act or omission;
- an act or omission that will, or is likely to, unlawfully endanger the health or safety of an individual or unlawfully damage the environment;
- accounting malpractice or falsification of documents;
- any breach of other applicable Group policy, code or standard;
- concealment of any of the above.

The above list is not exhaustive. A concern should be raised irrespective of whether the suspected wrongdoing has occurred, is occurring or is likely to occur.

Employees will be supported while their concerns are investigated, and they can expect to be kept informed of progress and the outcome of the investigation.

Harassment or victimisation, including informal pressure, of anyone raising a concern will not be tolerated, and any such conduct will itself constitute a breach of these standards.

An employee who raises a concern in good faith will not suffer any detriment even if the concern is not substantiated. Where an employee raises a concern that is frivolous, malicious or vexatious, or any person involved gives deliberately misleading statements, then this may be subject to disciplinary procedures.
2.1. CONFLICTS OF INTEREST

Conflicts of interest arise where the outcome of any situation can provide opportunities or benefits that may not be in the interests of our Group.

They can arise under a variety of circumstances:
- when an employee obtains a personal gain or benefit, for the employee or for closely connected persons, outside of the employee’s professional duties and responsibilities to the Group;
- in corporate transactions where different parties may have different motives, and personal gain or motive may be involved.

Conflicts of interest have the potential to undermine the making of fair decisions. They may compromise, or have the appearance of compromising, an employee's professional judgement in performing their responsibilities for the benefit of our Group.

Employees are made aware that their decisions and actions whilst at work should be for the sole benefit of the Group and, with the exception of their salary and other contracted benefits, they must not use their position for their own benefit or the benefit of someone to whom they are closely connected.

Conflicts of interest will be declared in line with our commitment to the principles of transparency and accountability.

This includes any perceived conflict of interest, such as a situation that may give rise to the perception of a conflict of interest, even where a conflict of interest may not in fact exist. They will be managed, or prohibited when necessary, to protect the interests of Group companies.

Any situation that gives rise, or might give rise, to a conflict of interest must be declared as soon as it arises and, where required, written authority to proceed should be sought. If the relevant manager and HR have any doubt about whether the situation is a conflict or not, then they should disclose the situation in line with this standard to their senior management.

Employees will seek to avoid situations where their personal interests might be, or might appear to be, in conflict with the interests of our Group or any Group company. For example, a financial interest or investment in a competitor or any company doing or seeking to do business with any Group company. A situation will give rise to the appearance of a conflict of interest where it provides the opportunity for personal benefit, regardless of whether the benefit is in fact obtained.
Employees will avoid being personally engaged or in any way actively involved in the process or decision to hire any closely connected person to a vacant position. Whilst no objections exist to relatives, partners and other persons with close personal connection to an employee being employed within our Group, appointments to all positions within our Group will be based solely upon the evaluation of the individuals’ qualifications and ability to perform the role, and these decisions should be made by persons entirely disconnected from the applicants.

Employees should never be in a situation where they can hire, supervise, affect terms and conditions of employment, or influence the management of any closely connected person. Direct reporting lines are generally not allowed between relatives, partners or other persons with whom an employee has a close connection.
2.2. ANTI-BRIBERY AND CORRUPTION

We take a zero-tolerance approach towards bribery and corruption. Corruption is conduct that is illegal, dishonest or fraudulent to gain an unethical advantage, either for the business or for personal gain. Corruption includes the taking or offering of a bribe, which is defined as any gift, payment or other benefit to encourage the recipient (or intended recipient) to perform their functions or activities improperly. A bribe need not actually be paid, and it is sufficient that it is requested or offered.

Examples of activities prohibited by this standard include:
- offering or making an unauthorised facilitation payment, or authorising an improper payment (cash or otherwise), to a local or foreign public official or any related person or entity;
- attempting to induce a local or foreign public official to do something illegal;
- ‘turning a blind eye to’ or failing to report any indication of improper payments or other inducements;
- offering or receiving any gift, hospitality or other benefit in relation to obtaining business or awarding contracts;
- providing any incentives that are given secretly or outside of our accounting records.

Employees, business partners and associates of our Group will not be involved, or implicated, in any way in any act of corruption for their own benefit or that could compromise the making of objective and fair business decisions.

When incurring business expenses, such as travel and hospitality, employees must maintain accurate receipts and avoid the re-charging of costs unrelated to a clear business purpose. Employees should not gain nor lose financially on business expenditure and reimbursement.

We must take steps to ensure that improper payments are not offered or made, or solicited or received, by third parties. We can be held liable for the wrongful acts of third parties engaged to act on our behalf.

2.3. GIFTS, HOSPITALITY AND OTHER BENEFITS

We are permitted to exchange small gifts and hospitality where there is a direct link with a genuine business reason and working arrangements, and where it is occasional, modest, proportionate and consistent with reasonable business practice, and otherwise permissible under all applicable laws and regulations.

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The exchange of gifts, hospitality and other benefits with business partners is an accepted part of common courtesy and helps to build goodwill in business relationships.

We comply with all laws and regulations, and any related standards, that are relevant to avoiding bribery and corruption in all countries in which we conduct business.

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We must exercise discretion in giving and accepting gifts, hospitality and other benefits when on Group business. It could create improper influence (or the appearance of improper influence) and might even be perceived as a bribe. Public officials, whether national or foreign, should never be offered a gift under any circumstances.

Gifts, hospitality and other benefits are not acceptable where they may appear to be disproportionately generous or could reasonably be construed as an inducement to affect a business decision. We must not accept gifts, hospitality or other benefits of any kind from a third party where it might be perceived that their personal integrity is being compromised, or that our Group might be placed under an obligation. For example, there should be no direct or perceptible indirect link to any formal procurement process for goods or services.

Where an employee is concerned that they should not accept, or should not have already accepted, a gift, hospitality or other benefit (in either a personal or professional capacity) where such acceptance might be interpreted as compromising his/her integrity, the conflict of interest should be declared (see Conflicts of Interest).

Employees should never avoid their obligation to report or seek approval for any gift, hospitality or other benefit by paying personally for it in circumstances where they would otherwise be required to report and/or seek approval for it.

Group companies will implement local policies and procedures for handling the receipt of gifts, hospitality and other benefits. This should provide guidance locally as to what is ‘modest’ and acceptable within their markets.
2.4. CHARITABLE CONTRIBUTIONS

Group companies and employees are encouraged to support local community and charitable projects as part of our wider social responsibility.

Group companies will set out their own policies to ensure that the approach is co-ordinated to enhance the benefits gained and to ensure:
- that all charitable activities and contributions are philanthropic in nature and not set up for the primary purpose of generating a commercial return for Group companies or otherwise for the benefit of individual employees;
- that the primary purpose of any charitable activity or contribution is not to promote our Group and/or a relevant Maison, nor is the contribution in exchange for any product or service;
- the charity recipient is permitted to receive such charitable contributions under all applicable laws and regulations in the relevant country or regions;
- the charity recipient is registered as a charity or non-profit organisation. We will not engage with unregistered charities.

Prior to any charitable engagement, we will formally communicate with the nominated charity (via letter or other written means) to confirm the nature of the engagement and/or purposes of the donation. There will then be a verification of the recipient’s status as a charitable organisation.

The donation will be open and fully transparent. There will be no use of intermediaries. All charitable contributions will be recorded and, where required by applicable laws and regulations, placed on the public record either by the recipient or by us.
2.5. POLITICAL PARTICIPATION

Group companies will not make contributions (including loans) to political parties and organisations, their officers, elected politicians and candidates for elective office.

We recognise employees’ rights to participate as individuals in the political process. However, when doing so, employees must take care to:
- make sure that they do so in their own time and using their own resources;
- ensure that their views and actions are not misconstrued as those of any Group company;
- ensure that political activities do not conflict with their duties and responsibilities to our Group.

Employees will not use any company names, logos, trade marks or other intellectual property in connection with any political participation.

Where an employee plans to seek or accept public office, they should notify their manager in advance, discuss whether their official duties might affect their work, and co-operate with their manager to minimise any such impact.
It is a criminal offence in most countries to engage in money laundering activity, which includes the investment of funds from criminal activities in legitimate economic activities to conceal the illegal origin of these funds.

Penalties for breach of money laundering laws can be severe, including substantial fines and/or imprisonment, and the laws can have an impact on both individuals and companies.

We have established robust internal guidelines and procedures to fight money laundering. We comply with all relevant laws and regulations, international agreements and related standards relevant to money laundering and terrorism in all the countries in which we conduct business.

We will not engage in any transaction that we know, or suspect, involves the proceeds of criminal activity, or otherwise be knowingly involved, directly or indirectly, in any money laundering activity or facilitation of tax evasion. We are aware that terrorist groups are increasingly using legitimate businesses to generate revenue for their networks and activities, including through money laundering.

We comply with rules concerning export controls, financial sanctions, financial transparency and international trade restrictions. We have thresholds above which cash payments will not be accepted and/or above which specific due diligence or other compliance actions should be taken. We will implement client approval and ‘know your customer’ procedures that are sufficient to ensure, so far as possible, that clients are not involved in any form of criminal activity.

We ensure that we will not inadvertently contravene any relevant anti-terrorism rules, and, specifically, that we do not deal with any entity or individual that is proscribed, by reason of a known or suspected terrorist association, by any applicable list published by a governmental or intergovernmental organisation.

Employees are made aware of situations that could involve money laundering activity:
- payments made in currencies other than those specified on the invoice;
- payments made in cash or cash equivalent where the sum involved is substantial;
- multiple payments from different sources in satisfaction of a single invoice;
- payments to or from an account other than the normal business relationship account;
- requests to make an overpayment;
- payments made by, or requests to supply goods to, someone not a party to the sale agreement or contract;
- requests to supply goods to a location other than the most proximate branch/office, or to adopt an unusual shipping route.

Employees will notify all suspicious transactions or activities by any client or other party with whom they are dealing to their local CFO, Finance Director or to Group Legal.

Group companies will implement their own money laundering and anti-terrorism policies and procedures to complement this standard, taking into consideration any global, regional or local legal requirements.
2.7. TRADE IN PRODUCTS

As a global Group, we purchase products from many suppliers, and provide them to clients all over the world. We also purchase products for use by the business, but which are not for re-sale.

We will conduct our business and operations in full compliance with all applicable international trade rules and related standards, including but not limited to customs regulations, non-tariff barriers, international agreements, transportation conventions, trade and economic sanctions, anti-boycott rules, as well as consumer and environmental standards, including human rights.

The Group’s Corporate Social Responsibility (CSR) principles are integrated into our sourcing processes and decisions, ensuring that they meet the expectations of our Group and its stakeholders.

All our logistics functions (central, regional and local) will ensure that our business and operations relating to the distribution of products are carried out in accordance with all relevant rules and standards. This includes voluntary standards that we decide to respect, including free trade agreements (these will be notified to relevant companies, departments etc.).

We ensure that purchases are made only from reputable suppliers or providers. We also ensure that suppliers and service providers (and clients where appropriate) have suitable controls to meet their compliance responsibilities.

We will purchase, manufacture and place products on the market in accordance with all applicable product and trade rules and standards. This includes rules on the composition of products, their marking and labelling, and the data and documents necessary for their trade.

Client approval and ‘know your customer’ procedures are designed to ensure that sales are only made to reputable clients, and in such quantities as are required to meet their legitimate business needs.

We ensure that our position on illicit trade is made clear to our clients and, wherever possible, provide for a contractual right to suspend or terminate supplies to clients believed to be involved, knowingly or recklessly, in unauthorised trading activities.

We will have controls and measures in place to ensure compliance with import and export rules and standards, and to prevent any non-compliance, including procedures:
- ensuring only lawful trade in Group products, and preventing illicit trade;
- investigating and, where appropriate, suspending or terminating illegal trade activities.

We will be proactive in co-operating with governments and enforcement authorities to address illicit trade.
2.8. ENVIRONMENTAL PROTECTION

Group companies and employees will comply with all applicable environmental regulations and related standards. We will manufacture and sell products in a manner consistent with prevailing best practice to minimise any adverse impact on health, safety or the environment.

We seek to act as an exemplary corporate citizen by keeping pace with current best practice on environmental issues.

We seek to ensure that our business practices and operations are delivered with the aim of minimising our impact on the environment, including minimising waste, pollution, our use of energy, water, other natural resources and other materials.

We will seek to ensure that our suppliers comply with specific environmental standards, for example:

- complying with international and local regulations related to the procurement, import, usage and export of raw materials issued from endangered or protected species;
- putting in place processes and procedures to ensure that gold has been mined or recycled in a manner that does not inflict environmental damage or violate human rights;
- adhering to the principles of the World Diamond Council Resolution on Industry Self-Regulation supporting the Kimberley Process and the system of written warranties established by the industry.

We are all expected to seek more efficient working practices through a process of continuous improvement, including on manufacturing activities and delivery processes, to minimise our impact on the environment.
3.1. PROTECTION AND USE OF CORPORATE ASSETS

Employees will take appropriate security measures to safeguard and protect our Group’s assets, in line with the Group Security Policy. Group assets include physical and intellectual property, systems, data, proprietary information, corporate opportunity and funds (including credit cards) belonging to any Group company, as well as equipment and facilities provided to employees for their individual business use.

Employees are responsible for reporting any abuse or misappropriation of Group assets by others. Theft or other fraudulent activity by employees is likely to result in immediate disciplinary action, and potential criminal prosecution after referral to the appropriate authorities. In all cases, any instances of abuse, misappropriation, theft or fraudulent activity must be declared as incidents according to Group Security procedures or financial procedures, depending on the particular circumstances.

Employees must not use any company equipment or facilities for their personal use, unless that use is specified in any relevant policies or procedures. For example, employees are permitted to use company equipment and systems for limited, occasional or incidental personal use where it:
- is reasonable and does not interfere with the proper performance of their job;
- does not have an adverse impact on the performance of company systems;
- is not for any illegal or improper purpose;
- is otherwise in accordance with the Group Security Policy.

We must never knowingly:
- damage, misuse or misappropriate the physical or information assets of others;
- infringe valid patents, trade marks, copyright or other intellectual property in violation of the rights of others;
- perform unauthorised activities that adversely impact the performance of third parties’ systems or resources.
3.2. ACCURATE ACCOUNTING AND RECORD-KEEPING

Group companies and employees will ensure that they follow all applicable laws and regulations, external accounting standards and Group procedures for reporting financial and other business information.

All data and information that we use or create, whether financial or non-financial, will accurately reflect the transactions or events covered.

All transactions and contracts will be properly authorised at all appropriate levels, and accurately and completely recorded.

All contracts we enter into, whether with another Group company or a third party, should be evidenced in writing. Where employees are responsible for preparing, negotiating or approving any contract on behalf of a Group company, they should ensure that it is approved, signed and recorded in accordance with the relevant company’s contracts approval process.

Our books, records and accounts must be in accordance with the generally accepted accounting principles applicable to their country of domicile. For Group reporting, information must be in line with our Group’s accounting and reporting policies (IFRS) and procedures. Honest, accurate and objective recording and reporting of information, both financial and non-financial, is essential to:
- our Group’s credibility and reputation;
- our Group’s ability to meet its legal, tax, audit and regulatory obligations;
- inform and support business decisions and actions by Group companies.

We will follow the standards and requirements in the Group’s Records Retention Policy. Employees should not alter or destroy company records in case such records are requested by regulators or the courts, unless such destruction is in accordance with Group policies and procedures.

We will take care to protect all Group funds (including credit cards), guarding against misuse, fraud or theft. All claims for expenses, vouchers, bills and invoices will be accurate and submitted in a timely manner.

We must co-operate fully with our external and internal auditors. We will respond promptly to any request by the external auditors and allow them full and unrestricted access to relevant staff, documents and information held by them that is relevant to the audit of any Group company, subject to any relevant legal constraints such as in the case of legally privileged documents. Under no circumstances should we provide information to the auditors that we know (or ought reasonably to know) is misleading, incomplete or inaccurate.
3.3. CONFIDENTIALITY AND PROTECTION OF INFORMATION

Group companies and employees will protect and maintain the confidentiality, integrity and availability of all commercially sensitive information, trade secrets and other confidential information relating to the Group and its business operations in accordance with the Group Security Policy.

Confidential information is any information or knowledge, the disclosure of which outside the Group might be damaging to the interests of any Group company. It includes but is not limited to:
- valuable information (its disclosure, loss or corruption would result in a loss of competitive advantage);
- personal data (see Data Protection and Privacy);
- any ‘inside information’ (see definition in Insider Dealing and Market Abuse).

Where in doubt, we will consider any Group information that we handle as confidential and therefore requiring secure handling. Any unauthorised disclosure, loss or corruption of such information must be declared as a security incident according to Group Security procedures.

Access to confidential information relating to any Group company or its business operations will only be provided to those employees who require it for the exercise of their functions within the Group. Those employees must apply the security measures required by our Group, including when using confidential information contained within removable media or smartphones, or when uploaded using file transfer and sharing services. Confidential information will not be left unattended in plain view on desks or in offices.

Employees will adhere to the rules on use of passwords (including not sharing them) and physical passes for access to systems and premises. Employees will not store on their personal premises any confidential information relating to any Group company or its business operations without first obtaining authorisation to do so, and making adequate arrangements to protect the security of such information.

Employees will not use confidential information relating to any Group company or its business operations for their own advantage or for that of a friend or relative (see Conflicts of Interest).
We will not disclose any confidential information relating to any Group company or its business operations outside of the Group without specific authority and as required to achieve business objectives. Where confidential information is to be disclosed to another party, it will be released only:
- to agents or representatives of a Group company who owe a duty of confidentiality and require such information to carry out work on its behalf;
- under the terms of a written confidentiality agreement or similar undertaking with the other party.

Where confidential information is to be transmitted electronically or physically (paper, digital storage media), the security measures required by the Group will be applied in agreement with the recipients, whether internal or external, such as the use of encryption, courier, or other secure methods of delivery.

Where confidential information is required to be disclosed under the terms of an order of any competent judicial, governmental, regulatory or supervisory body, employees will notify Group Legal and release such information only with Group Legal approval.

We will not solicit or wilfully obtain from any person confidential information belonging to another party. Where Group companies and employees inadvertently receive information that they suspect may be confidential information belonging to another party, they will immediately notify their manager and/or Group Legal.
3.4. INSIDER DEALING AND MARKET ABUSE

Group companies are committed to supporting fair and open securities markets throughout the world.

While it is commonly permitted for employees to trade in company shares when they do not rely on material information about the Group that is not in the public domain, it is not permitted when such trading is based on material inside and/or non-public information. This is known as ‘market abuse’ and is generally defined as conduct that adversely affects a financial market and falls below the standards expected by regular users of that market. It is unlawful in most countries.

We will not engage in market abuse, which includes:
- insider dealing (dealing in shares and other securities based on inside information);
- improper disclosure of inside information;
- misuse of inside information.

Inside information is information of a precise nature that is not generally available, relates directly or indirectly to a publicly quoted company or to its shares or other securities and would, if generally available, be likely to have a significant effect on the price of that company’s shares or other securities, or related investments.

Inside information should be disclosed only with specific authority and only:
- to those employees who require it for the exercise of their functions within the Group;
- to agents or representatives of a Group company who owe a duty of confidentiality to that company and require such information to carry out work on its behalf.

Care should be taken with the treatment of inside information, since misuse could result in civil or criminal sanctions against both the Group company and/or the individual concerned.

If an employee is uncertain as to whether they are in possession of inside information or other information of a price-sensitive nature about any Group company, they should contact the Group Company Secretary.
Most countries have laws and regulations prohibiting anti-competitive behaviour. This can arise from competition restricting agreements, arrangements or practices (including mergers, acquisitions and joint ventures) between Group companies and competitors or other third parties. It can also arise where Group companies have excess market power.

We will ensure that we comply with the competition laws of each country and economic area in which we operate. Some competition laws may have extra-territorial effect, which means that they can apply even where the conduct occurs outside the relevant country. Penalties for violation can be severe for companies as well as for individuals.

We will not talk or exchange information with competitors or their representatives to:
- fix prices (including setting minimum or maximum prices or ‘stabilising’ prices);
- fix terms related to price, pricing formulas, etc;
- divide up markets, clients or territories;
- limit production or capacity;
- influence the outcome of a competitive bidding process.

Meetings with competitors, for example through trade associations, can be useful and legitimate. However, anyone attending such meetings should take care to ensure that they do not engage in discussions or activities that would lead to the allegation or appearance of improper anti-competitive behaviour.

Employees will maintain a record of meetings with representatives of competitors and will break away from a discussion where they are concerned that it may be, or may be construed as being, anti-competitive in nature. In such circumstances, employees will subsequently notify the discussion to Group Legal as soon as possible.

Certain types of restrictions between two entities at different levels of the supply chain may give rise to violations of competition laws. These include:
- re-sale price maintenance provisions;
- territorial or client restrictions in which the supplier limits the territories into which, and/or the clients to whom, the distributor may re-sell the supplier’s products.

Not all agreements with competitors or parties operating at different levels of the supply chain restrict competition.

A company with a significant percentage share of a specific market may be indicative of dominant market power. In such cases, a company may be prohibited, or at least limited, in engaging in certain practices, for example entering into exclusivity arrangements, giving loyalty rebates, discriminating between clients, charging excessively high or low prices, or tying or bundling together different products or services.

Competitor information may not be gathered through unlawful or improper means, including by theft, illegal entry, bribery, misrepresentation or electronic eavesdropping. Employees will only gather information about our competitors through legitimate means.

Where employees suspect that a piece of competitor information may have been obtained improperly or may have been disclosed in breach of confidence, they should check with Group Legal before using it.
3.6. DATA PROTECTION AND PRIVACY

Group companies and all employees will ensure that they comply with the Group’s Global Data Privacy Policy when any personal data is processed, as well as all other applicable data protection and privacy policies, procedures, guidelines and all local data protection and privacy laws and regulations.

Personal data is any information that relates to an individual who can be identified (directly or indirectly) by reference to an identifier such as a name, an identification number, location data or an online identifier.

Our Global Data Privacy Policy sets out six data privacy principles that govern the way in which we will process personal data about individuals that we deal with anywhere in the world, including clients, digital users, employees, staff and contractors, employment candidates, and representatives at business partners. Personal data will be treated in accordance with these principles:

- **Lawfulness, Fairness & Transparency** - Personal data will only be processed where there is a fair and lawful basis for collecting and processing such personal data, and in circumstances where the individual whose personal data is being processed has been provided with a clear, transparent and comprehensive statement about such processing.

- **Specific Purposes** - Personal data will only be used for the purposes for which it was collected, and it will not be processed further in a way that is incompatible with those purposes.

- **Relevance** - The processing of personal data will be adequate, relevant and limited to what is necessary in relation to the purposes for which the personal data is processed.

- **Accuracy** - Personal data will be accurate and kept up-to-date. Group companies and all employees should take every reasonable step to ensure that inaccurate data is corrected or erased without delay.

- **Retention** - Personal data will not be kept in a form that enables someone to be identified for any longer than is necessary for the purposes for which the personal data is processed.

- **Security** - Personal data will be protected against unauthorised or unlawful use and against accidental loss, destruction or damage in accordance with our Group Security Policy.
We will take care to avoid any accidental or unlawful data breach that impacts any personal data. Any non-compliance may expose us to potential legal and regulatory liability, as well as reputational damage.

Employees will report any data breach in accordance with Group Security protocols and procedures. This will include:
- loss or theft of confidential information and personal data or IT equipment on which such data is stored;
- inappropriate access controls allowing unauthorised use;
- attempts (failed or successful) to gain unauthorised access to information/personal data or IT system(s);
- any other cyber security incident.

Further information on data protection and privacy is available on the Global Data Privacy page on the Group’s Intranet, along with contact details for dedicated Client Data Privacy Representatives for each Group company and a dedicated HR Privacy Representative for each employing entity or group of employing entities.
3.7 SOCIAL MEDIA AND SOCIAL MESSAGING

Employees are trusted brand ambassadors and have the capacity to represent our Group companies on social media and social messaging platforms. Employees are encouraged to ‘share our stories’, follow, like and engage with publicly available content either on our official social media accounts or on third party social media accounts to help spread the news on our Group companies, initiatives and achievements. However, employees must be transparent in their posts to ensure that they are not seen to imply that they have no formal association with the Group when posting favourable comments about the Group or its products.

Employees should be aware that any communications made on social media platforms are in the public domain, may be permanent and may also be accessible to a much wider audience than intended.

Where employees are using social media or social messaging in a professional capacity they will ensure that their statements are consistent with those of our Group. Where a job title is required as part of a social media profile, the job title should mirror their official title on business cards and/or e-mail signatures. Employees will take care with statements that may not be consistent with that of our Group. In such cases, they will state that their views are their own and may not represent those of the Group.

Employees will avoid any social media or social messaging communications, including for personal social purposes, that could adversely affect the reputation of any part of our Group. They will not post disparaging, defamatory or otherwise damaging statements about any part of our Group, its staff, clients, contractors, business partners, stakeholders and other affiliates. Employees will take care when posting politically or socially-sensitive content.

Employees will avoid using content, audio or video that is abusive, harmful, threatening or defamatory or is in any other way unlawful.

Whilst these standards are not intended to apply to an employee’s personal use of social media or social messaging, they will apply to the extent that their association with the Group can be reasonably inferred from such use.
They will not use or otherwise share content, audio or video that contains third party intellectual property without the necessary permission or other licence. Employees will refrain from linking a brand to a celebrity, influencer, other individual or product in circumstances where there is no formal affiliation or endorsement.

Employees will respect the privacy of their fellow staff, clients, contractors, business partners, stakeholders and other affiliates, and will exercise caution when seeking to link to or connect with others.

Any information sharing over social media and social messaging platforms will comply with the Group Security Policy and preserve the confidentiality and security requirements of our Group. Employees will also comply with our other policies and procedures when using social media and social messaging platforms, including those relating to data protection and privacy, brand guidelines and advertising.

Corporate social media accounts, corporate usernames and any professional connections made via these corporate social accounts on social media platforms, including through an employee’s employment period, belong to the relevant Group company. Employees should not under any circumstances use the name of a Group company in any personal social media handle without the permission of the company.
APPLICATION AND ENFORCEMENT OF OUR STANDARDS
Application of standards

Each Group company will adopt either these standards or its own standards that reflect them. Derogations from the Group standards are permitted in any standards adopted locally by a Group company to the extent necessary to comply with local laws and regulations, and provided they continue to reflect the purpose and spirit of the Group standards. Standards in this document shall therefore mean either the Group standards and/or the standards adopted locally by a Group company, as the context requires.

No element of these standards is intended to supersede local laws and regulations, and the obligations on employees to abide by them.

Unless specified by applicable local laws and regulations, no employee has the authority to order or approve any action that is contrary to these standards, and these standards must not under any circumstances be compromised for the sake of results.

Enforcement of standards

Our internal control system consists of a variety of measures and processes designed to ensure that all business functions operate in compliance with legal duties and related industry standards, as well as our Group’s beliefs and culture.

We are all expected to know, understand and follow all Group standards (including the key Richemont policies, codes and procedures) and, as appropriate, the standards, policies and codes adopted by the Group company for which we work. At the end of each year, the CEO and CFO of each Group company are required formally to confirm that the company for which they are responsible complies with the standards.

The Standards of Business Conduct are available in English on the Richemont Group website and are also available and can be downloaded in several languages on the Group’s Intranet. It is mandatory for all new employees to review and acknowledge their understanding and acceptance of the standards.

We have a risk management process that gives consideration to both strategic and operational risks. All identified risks are modelled according to their probability of occurrence and potential impact and subsequently prioritised by management. A consolidated risk report, which includes action plans prepared by the Group executive directly responsible for addressing the risk, is reviewed annually by the Audit Committee and the Board of Directors. This risk report is confidential and is not disclosed outside of the Group.

We perform audits and due diligence on business partners to identify, assess and anticipate risks and opportunities for improvement and to ensure in-depth knowledge of our partners. This enables us to verify that the approach and performance of our partners is aligned with our ethics, standards, social and environmental practices and respect for human rights.

We deploy a range of effective training resources. Alongside generic training for all staff, risk mapping helps to direct the content of tailored training programmes and the identification of specific teams or groups of staff who will receive training on specific risks (in terms of job profile, geography and nature of business).

Depending on the relevant circumstances, any breach of these standards may lead to disciplinary procedures being taken.

We have a senior team of internal auditors reviewing all Group functions and group companies and making recommendations for strengthened standards and working practices where required.