

# SUPPLIER CODE OF CONDUCT

01.2022

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# 1. RICHEMONT RESPONSIBLE SOURCING PRINCIPLES

Richemont owns several of the world's leading Maisons and companies in the field of luxury goods and has a long-standing commitment to doing business responsibly.

**Richemont's Movement for Better Luxury**, as defined in our Group's CSR (Corporate Social Responsibility) strategy, aims to create benefits for all. We aspire to improve the way luxury is created in a manner which is more sustainable and responsible. We aim to create a positive impact for the many different stakeholders involved in Richemont's value chain.

- We are committed to improving sustainability in our supply chains through the following commitments:
- Securing responsible practices throughout our supply chains and sourcing activities.
- Implementing transparency and traceability in raw material sourcing.
- Embedding care for the environment in our operations and business decisions.
- Delivering positive social impact.

We need the involvement of our suppliers to achieve our sourcing commitments. We therefore require that our suppliers adhere to this Code of Conduct, and ensure their operations comply with the relevant principles. We also expect that our suppliers communicate and require their own contractors and vendors to incorporate these principles into their business policies and practices.

We expect our suppliers to comply with the principles stipulated in the:

- Conventions of the International Labour Organization (ILO).
- Universal Declaration of Human Rights (UDHR).
- United Nations Global Compact (UNGC).
- Convention on the Elimination of all forms of Discrimination Against Women (CEDAW).
- Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

For the purposes of this Code, any references to Richemont shall also apply to its individual Maisons and operating entities. If suppliers have any questions relating to how to apply the principles and practices outlined below, they are advised to contact their relationship manager.

To ensure that the requirements of this Code of Conduct are consistently met and that adhering to it can be verified, we expect our suppliers to put in place appropriate management systems and business processes. Suppliers acknowledge that we may conduct monitoring visits or require third party audits to both verify compliance and support continuous improvement. In all circumstances, in the event of contradiction between the translated versions of the Supplier Code of Conduct, the English version shall prevail in the case that any legal disputes arise.

## 1.1 SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The SDGs set by the United Nations in 2015 define global priorities and aspirations for 2030. Richemont is committed to supporting the SDGs through its business activities and asks its suppliers also to do their best by putting the world on a sustainable path. At the beginning of each chapter, you will find which SDGs will be influenced positively by complying with the relevant requirements.



## 1.2 READING INSTRUCTIONS

We request our suppliers to carefully read this Code. Sections 1 to 5 are applicable to all suppliers. Section 6 summarises the Responsible Supply Chain criteria applicable to the suppliers of our raw materials and components. Once you have taken notice of the applicable requirements, you must acknowledge the terms on the last page. Clarification for specific terms may be found in the Richemont glossary.

## 2. GENERAL REQUIREMENTS



### 2.1 GENERAL LAWS & REGULATIONS

Suppliers shall comply with all applicable laws and regulations relating to their activities and the countries in which they operate. In doing so, suppliers must put in place appropriate systems and controls to ensure continued compliance.

Where there are differences or conflicts between this Code of Conduct and local laws and regulations, the higher standard should always prevail. Richemont has put in place its own standards aimed at protecting and valuing its employees. These include equality and diversity, health and safety, acting with integrity (including anti-bribery and corruption, anti-money laundering, human rights compliance, financial transparency, environmental protection, etc.), and maintaining the trust of clients and stakeholders (including competition and antitrust, data protection and privacy etc.). These standards are reflected in this Code of Conduct.

### 2.2 BUSINESS INTEGRITY

Richemont's culture and philosophy is based on the beliefs of integrity, honesty and respect.

We encourage our suppliers to establish their own policies that share our culture and philosophy.

Suppliers shall act with integrity and promote trust by ensuring that their business conduct contributes to credible, stable and sustainable business relationships.

### 2.3 ANTI-BRIBERY & CORRUPTION

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

Suppliers must neither be involved nor implicated, in any way, in any act of corruption for either their own benefit or that which could compromise the making of objective and fair business decisions. Suppliers must take steps to ensure that improper payments are not offered or made, or solicited or received, in the conduct of their business.

Suppliers must put in place a non-retaliation policy to protect employees voicing a concern, or refusing to engage in an act of bribery or corruption.

### 2.4 ANTI-MONEY LAUNDERING

Richemont will not tolerate money laundering or the financing of terrorism.

Suppliers must implement Know Your Counterparty (KYC) procedures to ensure that business associates and customers are not involved in any form of criminal activity.

### 2.5 COMPETITION & ANTITRUST

Suppliers must strictly comply with competition laws (also known as antitrust laws), which promote free and fair competition around the world.

Suppliers must ensure they do not engage in discussions or activities (e.g. at trade associations or with competitors) that would lead to the allegation or appearance of improper, anti-competitive behaviour.

### 2.6 DATA PROTECTION & PRIVACY

Suppliers shall comply with their obligations under all relevant data protection and privacy laws and regulations. In doing so, suppliers shall implement appropriate technical and organisational measures to protect any personal data they possess against unauthorised or unlawful processing, and against accidental loss, destruction, damage, alteration, or disclosure.

Where suppliers process personal data on behalf of Richemont, they will do so in accordance with our written instructions, and enter into any relevant data processing agreement required to ensure that such processing is compliant with all relevant data protection laws and regulations. Where necessary, Data Protection Impact Assessments (DPIAs) shall be completed to analyse, identify, and minimise the data protection risks of any relevant project or engagement.

## **2.7 PRODUCT & TRADE COMPLIANCE**

To protect our customers, employees and all other stakeholders, and fulfil our obligations to protect the environment, our suppliers should have a conformity assessment in place to ensure compliance of the products supplied to Richemont. The Conformity Assessment (as defined in ISO/IEC 17000 – 2020) is made against the relevant and applicable product regulations and industry standards. Likewise, where applicable, the supplier should maintain, and make available on demand, the related proofs of conformity and other supporting documents associated with the product and its Conformity Assessment (Test Reports, Declaration of Conformity, Certificates of Conformity, Bill of Materials, Safety Data Sheets, User Guides, etc.).

Suppliers shall conduct their 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, and anti-boycott rules.

## **2.8 SECURITY**

Suppliers shall assess risks and implement measures to ensure the safety and security of employees, contractors and visitors in their operations.

Suppliers shall ensure that all security personnel respect the human rights and dignity of all people and are trained on the issue.

Suppliers shall ensure the physical integrity and security of people and cash-convertible valuables in their operations and during transportation to or from their operations to avoid the encouragement of fraud, crime and related anti-social behaviour.

## **2.9 SUSTAINABLE PRODUCT DEVELOPMENT**

Suppliers are encouraged to factor appropriate environmental and social considerations into the full lifecycle of their processes, technologies, products and packaging in order to optimise the environmental performance of their products through the product life cycle, and to maximise opportunities for positive social impact. Where feasible, products, packaging and packing shall be designed in accordance with circular economy principles such as eco-design & eco-efficiency (including aspects of recyclability, waste reduction, and reusability, to limit the use of resources), and avoid planned obsolescence.

Suppliers shall be ready to provide the relevant data to establish a life cycle analysis of the offered service or product.

# 3. LABOUR PRACTICES AND HUMAN RIGHTS



## 3.1 HUMAN RIGHTS

Suppliers shall respect all international human rights norms and commit to implementing the requirements contained in the United Nations Guiding Principles on Business and Human Rights.

Suppliers shall avoid causing or contributing to adverse human rights impacts through their own activities and address such impacts when they occur. Suppliers shall also seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products, or services, even if they have not contributed to those impacts.

Suppliers shall provide all information reasonably required by Richemont as part of its human rights due diligence process. As part of this due diligence, Richemont requires suppliers (as appropriate to their size) to have in place:

- Strong management systems addressing human rights compliance, including a publicly available policy commitment to meet their responsibility to respect human rights.
- A process to identify and assess human rights risks and impacts.
- A strategy to respond to identified human rights risks, including adequate training.
- A process to enable the remediation of any adverse human rights impacts they cause or to which they contribute, and to track responses.
- A program to evaluate, either through third-party or internal audits, the compliance with human rights of both their operations and the operations of their suppliers.
- Communication with stakeholders on steps taken to respect human rights and prevent modern slavery.

## 3.2 NO DISCRIMINATION

People shall be treated equally and fairly. Suppliers may not engage in any form of discrimination. Particularly (but not exclusively) regarding wages, hiring, access to training, promotion, or caregiver protection based on sex, race, colour or ethnic origin, nationality, religion, age, disability, sexual orientation, gender identity, pregnancy, maternity, paternity, health status, social background, political affiliation or union membership.

Suppliers shall:

- Provide appropriate human rights training to all employees.
- Ensure no discrimination or harassment, physical or psychological violence.
- Promote equality of opportunity and inclusion for all employees through policies and practices.
- Recognise the importance of a balanced workforce where diversity is valued as a source of enrichment and opportunity.

## 3.3 NO HARSH OR INHUMAN TREATMENT

Suppliers shall prohibit physical abuse or discipline, the threat of physical abuse, sexual or other forms of harassment including gender-based violence, and verbal abuse or other forms of intimidation, according to the definition of ILO Convention 190.

Suppliers shall:

- Not make use of or condone such practices.
- Clearly communicate applicable disciplinary processes and procedures to employees.
- Ensure that grievance procedures and investigation processes are in place and communicated to all employees.

### 3.4 FREELY CHOSEN EMPLOYMENT

Suppliers shall not use forced labour, including bonded, indentured, or involuntary prison labour, or engage in any form of modern slavery or human trafficking. Workers are not required to lodge 'deposits' or their identity papers with their employer, and are free to leave their employer after reasonable notice. Suppliers shall monitor relationships with recruitment agencies for risks of human traffic.

### 3.5 CONTRACTUAL AGREEMENTS

Suppliers and their subcontractors must establish in writing the terms and conditions of their employees' agreements and work contracts. The conditions of the employment contracts should follow the most stringent international standards and laws that are currently in force. Said work agreements must promote stable employment and will not violate the rights of employees that are protected by the applicable laws.

Suppliers must not employ any workers who do not have the right to work, including illegal immigrants. There shall be no instances of subcontracting or home working without the prior written permission of Richemont.

### 3.6 NO CHILD LABOUR

No person shall be employed under the age of 15, or an age lower than the local minimum age for employment and completion of mandatory education, whichever is highest.

The employment of juvenile workers below the age of 18 shall only occur if the supplier has special procedures in place for young work. These procedures shall include the prohibition of hazardous work conditions, night work, working hours not allowing completion of mandatory education, and guaranteeing protection for the healthy physical and mental development of the child.

### 3.7 WAGES AND BENEFITS

Wages and all legally mandated benefits (e.g. medical insurance, social insurance, pensions, and so on) paid for a standard working week must meet, at a minimum, national legal standards or industry benchmark standards, whichever is highest. For piece-rate workers, their working day shall give at least the equivalent of a minimum day-wage.

Wages should always be enough to meet basic needs and to provide some discretionary income. This means suppliers should promote living wages. A living wage is a remuneration received by a worker for a standard working week, sufficient to afford a decent standard of living for the worker and their family.

Suppliers shall ensure equal remuneration for work of equal value according to the Equal Pay International Coalition (EPIC).

Before they enter employment, all workers shall be provided with written and understandable terms and conditions with regards to their wages for the defined pay period.

Suppliers shall compensate overtime hours at regular or premium rates, according to applicable legal requirements.

Deductions from wages as a disciplinary measure shall not be permitted, nor shall any deductions from wages not provided for by national law, without the express permission of the worker concerned.

### 3.8 WORK HOURS

Suppliers shall ensure normal working hours comply with ILO conventions, as well as with national legislation or the prevailing industry standards.

Suppliers shall:

- Ensure normal working hours shall not on a regular basis exceed a maximum of 48 hours per working week.
- The total hours worked in any 7-day period shall not exceed 60 hours, except in exceptional circumstances where all of the following criteria are met:
  - This is allowed by national law.
  - This is allowed by a collective bargaining agreement.
  - Appropriate safeguards are taken to protect workers' health and safety.
  - The employer can demonstrate that exceptional circumstances apply, such as unexpected production peaks, accidents, or emergencies.
- Overtime shall be voluntary and be compensated at a premium rate.

- Weekly rest and paid annual leave in accordance with (at a minimum) national legislation and applicable sector regulations will abide by all legally mandated provisions for leave, including maternity, paternity, and compassionate leave.
- Workers shall be provided with at least one day off in every 7-day period.

### **3.9 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

Suppliers shall allow workers to freely choose to join or not join a workers' association of their choice.

Suppliers shall:

- Adhere to applicable laws and collective bargaining agreements where such agreements exist.
- Support parallel means of dialogue such as the implementation of collective employee representation, and robust and effective dialogue between management and employees where laws prohibit or limit these freedoms.

### **3.10 HEALTH AND SAFETY**

Suppliers shall comply with all applicable health and safety laws and regulations by providing a safe and healthy working environment and assign responsibility for health and safety to a senior management representative.

Suppliers shall have a process in place to identify the health and safety risks associated with their operations, determine the relative significance for each risk, and implement the appropriate risk mitigation actions. Workers shall be informed of these significant risks to their health and safety.

Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

Suppliers provide all their employees and workers with a safe and healthy workplace that guarantees basic safety and adequate emergency procedures and physical requirements, including fire alarms, exits, and emergency drills, free personal protective equipment, safety equipment, and training appropriate to the task, as well as access to emergency medical care.

Workers must have access to water that is safe to drink, adequate sanitation, including gender-specific restrooms and facilities, and, where relevant, safe and hygienic accommodation which meets the highest industry standards and allows for privacy, security, and gender separation.

Suppliers shall take the appropriate measures to protect pregnant and nursing women, as well as young people (e.g. apprentices).

Suppliers shall investigate all occupational health and safety accidents involving their employees and workers to identify the root causes and determine the necessary corrective actions to prevent reoccurrence.

Suppliers must put in place appropriate procedures regarding occupational health and safety, keep them up-to-date and make sure they are communicated.

### **3.11 COMMUNITY IMPACT**

Suppliers shall respect the communities in which they operate. Richemont encourages suppliers to make a positive social impact in the related communities by contributing to their social, environmental and economic welfare.

# 4. ENVIRONMENT



## 4.1 ENVIRONMENTAL MANAGEMENT & COMPLIANCE

Suppliers shall comply with all applicable environmental laws and regulations.

All required environmental permits, licences, information registrations and restrictions shall be obtained, and their operational and reporting requirements followed.

Suppliers should use appropriate methodologies to identify and assess the risks of harm in their own operations and those of their business partners, and carry out risk-based due diligence.

Suppliers shall:

- Identify and assess risks.
- Identify opportunities to reduce the environmental impact and promote, where feasible, partnerships for climate protection.
- Take measures to prevent and mitigate environmental risks and impacts (especially climate change, see chapter 4.3).
- Have a methodology to track and monitor.
- Have necessary communication in place with the relevant stakeholders.
- Provide training and information about environmental risks and controls to all relevant employees, in a format and language they can easily understand.

## 4.2 RESOURCE REDUCTION AND POLLUTION PREVENTION

We ask our suppliers to do their best to continuously minimise their resource consumption (e.g. fossil fuels, fossil-fuel based virgin plastics, water and virgin forest products) and environmental impact (e.g. emissions, pollutants and waste). We ask our suppliers to promote the circular use of raw materials.

Emissions and discharges of pollutants and generation of waste are to be minimised or eliminated at the source, or by practices such as adding pollution control equipment, modifying production and maintenance processes, or by other means.

## 4.3 ENERGY USAGE AND GREENHOUSE GAS (GHG) EMISSIONS

Suppliers shall monitor their energy consumption and take actions to reduce greenhouse gas emissions and combat climate change.

They shall:

- Collect and record data linked to their carbon footprint and provide data to Richemont upon request.
- Establish plans and targets to continuously reduce the greenhouse gas emissions of their activities.
- Demonstrably increase the use of renewable energy.

## 4.4 WATER

Suppliers shall have sustainable water management practices in place.

- They shall:
- Collect and record water data and provide data to Richemont upon request.
- Establish plans and targets to reduce and recycle water.

Wastewater shall be treated and purified to respect local legislation and prevent pollution.

Suppliers located in water-scarce regions shall have strong water management systems in place and collect data (e.g. water withdrawals, water consumption, wastewater and recycled water) to minimise adverse impacts to the local community.

#### 4.5 WASTE

Suppliers shall prevent pollution and identify significant sources of waste and manage the identified waste responsibly.

Suppliers shall:

- Collect and record data linked to waste production and provide data to Richemont upon request.
- Establish plans and targets to reduce and recycle waste, and apply where feasible circular economy principles (reduce, reuse, recycle and recover).
- Dispose of waste in compliance with the applicable laws or, where such laws do not exist, in line with international standards.
- Do their best to prevent waste going to landfill.

#### 4.6 CHEMICALS

Suppliers shall comply with all applicable laws and regulations regarding the restriction and registration and, where necessary, authorisation or notification of chemical substances contained in the end product or production process, according to the statutory requirements that apply to the corresponding market (e.g. EU REACH regulation).

In addition, suppliers shall adopt new processes and best practices, to reduce the environmental impact and health and safety concerns relating to chemical use.

Suppliers shall maintain an inventory of hazardous substances at their facilities. Safety data sheets (or equivalent) shall be accessible wherever hazardous substances are used. Chemicals shall be correctly labelled and their associated risks shall be clearly and actively communicated to all employees who work with them.

#### 4.7 BIODIVERSITY

Suppliers shall avoid and minimise impacts on biodiversity.

Suppliers shall seek opportunities for biodiversity conservation linked to their activity.

Suppliers shall make their best efforts to generate positive impact on biodiversity and the livelihoods of local people.

Suppliers in the mining sector shall not explore or mine in World Heritage sites. They shall identify Key Biodiversity Areas (according to the [IUCN](#) Global Standard for the identification of Key Biodiversity Areas) affected by their operations and have mitigation tools in place to minimise impacts on biodiversity.

# 5. APPLICATION AND IDENTIFICATION OF CONCERNS



## 5.1 GENERAL COMPLIANCE

Richemont expects its suppliers to communicate the principles of this Code of Conduct to their employees, subcontractors and relevant third parties with whom they do business, and to ensure said principles are integrated into the respective operations.

Suppliers shall proactively report any existing or potential issues they have with the requirements set out in this Code of Conduct, along with their proposed remediation plans for consideration by Richemont.

## 5.2 REPORTING CONCERNS & SPEAKING UP

Suppliers shall have in place systems to enable independent grievance and speaking up measures to allow employees, subcontractors and relevant third parties to report actual or suspected misconduct anonymously without threat of reprisal, intimidation or harassment.

Suppliers must take all reported concerns seriously and ensure that they will be addressed in a fair, honest, and timely manner respecting confidentiality requirements.

Suppliers shall investigate and take corrective action if needed, and record them.

Concerns about work being done on behalf of Richemont, or suspected misconduct with regard to this Code of Conduct may also be reported to [whistle.blowing@richemont.com](mailto:whistle.blowing@richemont.com).

Richemont will investigate any concern raised and, where feasible, discuss findings with the supplier and respect confidentiality requirements.

## 5.3 EVALUATION

Richemont will be entitled to request information from its suppliers as to their compliance with the terms of this Code of Conduct.

Where necessary, Richemont may require suppliers to provide evidence of their compliance by way of independent verification or appropriate certification.

Richemont reserves the right to have products and materials independently tested to establish whether the suppliers comply with the terms of this Code of Conduct.

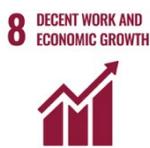
Richemont will be entitled to request data and to visit suppliers' production facilities and the facilities of their own subcontractors and suppliers, or have these visited by an independent third-party verification company, to establish compliance with this Code of Conduct.

## 5.4 NON-COMPLIANCE

Richemont reserves the right to terminate any business relationships with any supplier that violates this Code of Conduct, or whose suppliers or subcontractors violate this Code of Conduct. In case violations are uncovered, Richemont will work with the supplier to find appropriate remediation and leverage for improvement, in the first instance.

In the case where the supplier shows structural unwillingness to cooperate and improve, ending the business relationship shall be a last resort. The decision to terminate a relationship with a supplier for Code violations will only be taken when steps to mitigate negative impacts have failed or are not feasible.

## 6. RESPONSIBLE SUPPLY CHAIN CRITERIA



The requirements described in this section are applicable to raw materials, components, and finished goods suppliers. They support the Richemont ambition for a long-term sustainable supply chain, and are in addition to the requirements of the previous sections.

### 6.1 TRANSPARENCY AND TRACEABILITY

Suppliers of raw materials and components shall actively engage their supply chain to increase transparency therein. Richemont considers transparency as the capacity to identify the name and location of all actors in the upstream supply chains until the origin of the raw material.

Whenever possible, suppliers shall identify and trace the history, distribution, location, and application of products, parts, and materials. In the sustainability context, traceability is a tool to assure and verify sustainability claims associated with commodities and products, ensuring good practice all along the supply chain.

Traceability shall be robust and verifiable. Suppliers shall provide traceability records and information upon request.

Any changes regarding the name and location of supply chain actors shall be notified to Richemont.

Traceability information may be verified by a third-party auditing company.

### 6.2 ENVIRONMENTAL MANAGEMENT SYSTEM

Manufacturing and raw material suppliers are recommended to establish an environmental management system (e.g. ISO 14001) to meet environmental compliance obligations and mitigate impacts. Suppliers shall have an environmental action plan and monitor their environmental impacts.

Manufacturing and raw material suppliers shall share their environmental action plans with Richemont upon request.

### 6.3 RESTRICTED SUBSTANCES

Suppliers must guarantee that the products they supply to Richemont comply with the latest version of the Richemont Product Restricted Substances List (PRSL).

Richemont requires its suppliers to make sure that their own supply chain incorporates these regulations into their own business policies and practices.

### 6.4 ANIMAL WELFARE

Suppliers shall treat animals well and respect the Five Freedoms of Animal Welfare:

- Freedom from hunger or thirst by ready access to fresh water and a diet to maintain full health and vigour.
- Freedom from discomfort by providing an appropriate environment including shelter and a comfortable resting area.
- Freedom from pain, injury or disease by prevention or rapid diagnosis and treatment.
- Freedom to express the most normal behaviour by providing enough space, proper facilities and company of the animal's own kind.
- Freedom from fear and distress by ensuring conditions and treatment which avoid mental suffering.

In addition, suppliers shall apply the [Responsible Luxury Initiative Animal Sourcing Principles](#) as they relate to the catching, maintaining, breeding, raising, transportation, handling and slaughter of live animals, if applicable to the products the suppliers manufacture.

### 6.5 ENDANGERED SPECIES

Suppliers shall fully comply with special international and local regulations, as well as with the Convention on International Trade of Endangered Species (CITES), regarding the procurement, import, usage and export of raw materials sourced from endangered or protected species.

## 6.6 DUE DILIGENCE FOR MINERALS

Suppliers in the gold, silver, Platinum Group Metals (PGMs), diamonds and coloured gemstones supply chains shall exercise and document due diligence in accordance with the [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#), and the [Richemont Raw Materials Sourcing Policy](#).

Small and medium-sized enterprises (SMEs) shall conduct due diligence appropriate to their size and circumstances, but which includes, at the least, a policy, a fit-for-purpose due diligence process, and a process to enable remedy. Richemont may support SMEs in their due Diligence processes. In such cases, access to supply chain information is necessary.

## 6.7 GOLD, SILVER AND / OR PLATINUM GROUP\*

Suppliers in the gold, silver and PGM supply chain are required to become certified with the Responsible Jewellery Council's (RJC) Code of Practices. Other standards will be considered if their equivalence can be clearly demonstrated.

Suppliers shall provide assurance as far as possible that gold, silver and / or PGMs being supplied have been recycled or mined responsibly in a manner that respects human and labour rights, is conflict-free, and does not inflict environmental damage.

## 6.8 DIAMONDS\*

Suppliers in the diamond supply chain are required to become certified with the RJC Code of Practices. Other standards will be considered if their equivalence can be clearly demonstrated.

Suppliers shall adhere to the Kimberley Process Certification Scheme (KPCS) and the World Diamond Council (WDC) voluntary systems of warranties, the purposes of which are to promote universal standards on human rights, labour rights, anti-money laundering and anti-corruption practices. Suppliers shall confirm on every invoice the WDC warranty statement.

Suppliers shall:

- Provide only natural, non-treated diamonds from legitimate sources that strictly conform to our specifications regarding quality and naturality.
- Provide full and complete disclosure of the physical characteristics of the stones, in compliance with national and international laws and industry best practice.

Suppliers that are engaged in the cutting and polishing of diamonds shall use cobalt-free, diamond-impregnated scaifes.

Where Richemont has purchased diamonds for suppliers to use in products supplied to Richemont, suppliers shall exclusively use those diamonds and not substitute them.

## 6.9 COLOURED GEMSTONES

Suppliers in the coloured gemstones supply chain shall provide assurance as far as possible that gemstones are mined and processed in ways that respect human and labour rights, are conflict-free and do not inflict environmental damage.

Suppliers shall actively engage their supply chain to increase transparency and implement a due diligence process. To do so, they are encouraged to use the tools provided by the [Gemstones and Jewellery Community Platform](#).

Suppliers in the coloured gemstones supply chain are strongly encouraged to become certified with the RJC Code of Practices. Other standards will be considered if their equivalence can be clearly demonstrated.

Suppliers shall provide full and complete disclosure of the physical characteristics of the stones (including detailed information on treatments), in compliance with national and international laws and industry best practice.

## 6.10 LEATHER AND FUR

We strongly encourage leather suppliers to reduce the environmental impact of the sourcing of bovine skins (prefer local origins). Suppliers must be aware of their indirect impact on deforestation and actively work to

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\* The requirements for the RJC certification included in paragraphs 6.7 and 6.8 are to be considered as an encouragement for suppliers of Richemont's Online Distributor businesses (such as, for example, YOOX NET-A-PORTER GROUP and Watchfinder & Co.).

not contribute to it. Richemont reserves the right to obtain information on deforestation risks.

Leather suppliers are strongly encouraged to have environmental certification in place (e.g. ISO 14001, LWG), and to implement actions to reduce the environmental impact of the tanning processes.

Crocodilian skins shall be preferably sourced from farms certified with the ICFA standard.

Suppliers shall provide Richemont, in addition to the country of origin (husbandry), with information on the location of the slaughterhouse and the location of the tannery on request.

Fur shall only be sourced if animal welfare can be guaranteed through robust supply chain verification or recognised international certification schemes (e.g. Welfur). The use of recycled fur shall be promoted.

### 6.11 FOREST PRODUCTS

Suppliers shall ensure that their actions have no negative impact on forests.

Suppliers shall put in place measures to ensure that no illegal forest products are placed in the supply chain, and comply with applicable regulations (e.g. EU timber regulations).

Suppliers are requested to source paper, packaging, and other timber-based products in a responsible manner, either recycled or from certified, sustainably managed forests. Any forestry-sourced product must be certified by the Forest Stewardship Council (FSC).

Where necessary, suppliers conduct due diligence on their own suppliers.

### 6.12 FRAGRANCES

Suppliers involved in the perfumes and cosmetics industry shall ensure that the fragrance compounds, formulae, packaging components or finished products they supply are safe for their intended use, and comply with all applicable laws worldwide, to the best of their knowledge.

Alcohol used shall be from natural origin only.

Glass used shall preferably be from post-consumer recycled origin.

### 6.13 TEXTILES

Suppliers shall have high standards of environmental stewardship. They shall especially:

- Use water efficiently and responsibly.
- Promote the protection and restoration of biodiversity, and ensure no detriment to natural ecosystems.

Suppliers shall do their best to work towards a more sustainable fashion system. Materials shall be of high quality and Richemont encourages its suppliers to continuously work towards the following criteria:

- Organic (e.g. Global Organic Textile Standards) or recycled (e.g. Global Recycled Standard, or GRS) material is preferred.
- Natural fibres shall preferably be sourced from organic origin.
- Artificial fibres shall come from FSC-certified sources, or be produced in a closed loop production system.
- Synthetic fibres should preferably come from recycled or bio-based sources (bio-based sources shall come from waste-based feedstock, otherwise it must be evidenced that the raw material does not compete with food or feedstock production, nor contribute to deforestation, e.g. Content Claim Standard);
- Wool should comply with the Responsible Wool Standard, or equivalent. Sheep mulesing is a forbidden practice.
- Down should comply with the Responsible Down Standard, or equivalent. For down and feathers, live plucking is strictly forbidden.

### 6.14 PLASTICS

Suppliers shall not provide any products containing PVC. In addition, suppliers shall do their best to reduce the environmental impact of plastics by:

- Avoiding harmful plastics (e.g. ABS, PS and PU).
- Reducing to a minimum virgin fossil fuel-based plastic.
- Using recyclable and increasing the use of recycled plastics (e.g. GRS-certified).
- Extending the life of and improving the end-of-life management of plastic.

