

Richemont's approach to sustainability

Our approach to sustainability is inspired by our history and ambition to nurture our Maisons and businesses and enable them to grow and prosper in a responsible manner. Sustainability is integral to the Group's long-term vision and guides how it operates as a responsible business.

The Environment, Social and Governance ('ESG') management system

During the year under review, Richemont took the next step on its journey of continuous improvement, having completed the development of a Group-wide ESG management system. This provides the overarching framework integrating policies, processes and actions, to execute the Group's ESG priorities.

The system is informed by the materiality assessment conducted at the beginning of 2023 and the Group's ESG Risks and Opportunity Assessment ('ROA') conducted during the year. Built on the insights of the materiality assessment, the ROA helped to identify, prioritise and contextualise ESG-related risks and opportunities.

The development of the system was also supported by ESG capacity building, bringing expertise in-house and moving away from project-based interventions to one consistent approach across Maisons, functions and regions. The Group's Chief Sustainability Officer oversees the operationalisation of the management system, sustainability performance and reporting, and leads the Group Sustainability team, which interacts with more than 100 sustainability leaders across Richemont's Maisons, regions and functions.

Acting on the Group's environmental impact

Richemont continually strives to manage and reduce the environmental impact from its operations and supply chains.

In 2023, Richemont was recognised by the Carbon Disclosure Project ('CDP') for its environmental performance, receiving an A- score for climate change. This score is a testament to Richemont's environmental leadership and puts the Group amongst the top 22% of all global respondents. The Group continues to work towards its Science Based Targets ('SBTs') set in 2021.

Richemont's key environmental challenges include understanding and mitigating the impacts of climate change, responsible resource use, biodiversity conservation and freshwater stewardship.

The Group works to improve energy efficiency and reducing greenhouse gas ('GHG') emissions through energy management and buildings efficiency gains across its global real estate portfolio. Richemont is a member of the RE100 and has formally committed to sourcing 100% renewable electricity by no later than 2025. In 2023, 97% of Richemont's electricity consumption came from renewables sources.

Dedicated Health, Safety and Environment and Chemical Competence Centre teams ensure chemicals are managed responsibly.

Acting on the Group's social impact

Richemont supports its people throughout the employment journey, from talent attraction to employee engagement and management, and has been recognised as an attractive place to work, receiving various awards during the year.

The Group is focused on creating an inclusive environment through various initiatives. This year, Richemont achieved a major milestone gaining EQUAL-SALARY certification at a global level, verifying that its employees are paid equitably across genders in every market where it operates (excluding YNAP and sites in Russia).

The Group takes a long-term approach to talent attraction, recruiting people not just for their first role, but also for their potential and ability to learn and develop towards their aspirations in the Group. Ongoing performance management and development are recorded in the 'My Performance Journey'. This connects employees' annual performance reviews with their growth and development needs and is supported by a comprehensive learning and development programme. Richemont also supports apprenticeships and internships and builds partnerships with schools and universities to support the preservation of craftsmanship to sustain the luxury industry.

Influencing the Group's supply chain

Richemont aims to ensure that social, ethical and environmental standards are respected across its supply chains.

During the year under review, the Responsible Sourcing Handbook, available internally, was developed to establish a common framework around risk management and due diligence methodologies.

The Supplier Code of Conduct, the Raw Materials Sourcing Policy and the Group Procurement Policy lay the foundations for the Group's responsible sourcing approach. These policies are supplemented by membership of industry organisations that set and monitor standards for specific supply chains.

Governance of the Group's fine gold purchases is provided by the Gold Sourcing Committee, which oversees the definition of purchasing standards, the validation of Varinor's sourcing decisions, the control of the panel of existing suppliers, and the monitoring of purchases and due diligence reports. The Stones Supply Chain Committee governs the supply of diamonds and gemstones. An important pillar in the Group's strategy is to promote the Responsible Jewellery Council's ('RJC') Code of Practices ('CoP') and Chain of Custody ('CoC') certifications across the relevant supply chains.

Richemont is a member of the Leather Working Group, the world's leading environmental certification provider for the leather manufacturing industry, as well as of the International Crocodilian Farmers Association, which sets crocodilian farming practices with respect to animal welfare.

The watch components supply chain is overseen by the Group's Sourcing Intelligence and Responsible Sourcing teams, and Richemont's privileged panel of suppliers is predominantly composed of small-to-medium sized enterprises, with whom the Maisons have established long-term relationships through close collaboration and partnerships.

Refining the Group's governance

Sustainability is firmly embedded at the highest governance level of the Group through the Governance and Sustainability Committee, which regularly updates and reports its actions to the Board of Directors. The Governance and Sustainability Committee supports the Board in establishing and reviewing strategy, policies and guidelines that address all aspects of Richemont's ESG framework.

The Chief Sustainability Officer is a permanent attendee of this Committee and a member of the Senior Executive Committee ('SEC'), the executive management body of Richemont responsible for overseeing the management of ESG performance and reporting. Group sustainability is integrated within the Finance division, with the Chief Sustainability Officer, reporting to the Chief Finance Officer.

Sustainable and ethical principles are the foundations of Richemont's Standards of Business Conduct that define the behaviours expected of all employees. These are underpinned by the Richemont Speak Up platform, where suspected violations can be reported.

This year the Group progressed in the roll-out of the Speak Up platform, which was initially launched in June 2022. It forms an essential part of the Group's ethical standards. The platform allows employees and any third party to report any concerns via telephone or an online form, with an option for anonymity. This year it was extended to include the possibility for third parties, such as suppliers, to report concerns about unethical and illegal behaviour.

During the year under review, Richemont also published a Human Rights Statement, highlighting the standards that are expected of employees and business partners and the key policies to guide them. The publication was supported by a dedicated human rights training module to help raise awareness of this material topic.

Richemont would like to thank all its employees from across the world for their commitment to building a more sustainable future. Sustainability is not just the responsibility of a single team – at Richemont, ESG is everyone's business.

For further information on Richemont's approach to sustainability and the progress it has achieved during the year, please refer to the Group's Non-Financial Report 2024 available on <https://www.richemont.com/sustainability/>.

Peace Parks Foundation aims to rewild southern Africa by creating large vibrant landscapes in which both people and nature can thrive.

Peace Parks achieved outstanding nature conservation milestones through strategic partnerships, emphasising collaboration's pivotal role in their success. Acknowledging the indispensable value of working alongside like-minded entities, the Foundation has strengthened existing projects and initiated groundbreaking, collaborative management models.

A highlight was securing the long-term protection of Vwaza Marsh Wildlife Reserve and Nyika National Park, Malawi's oldest and largest national park. By signing a 20-year co-management agreement with the Government of Malawi, Peace Parks is now enabled to provide livelihood and economic opportunities to more than 50 000 people. It can also better protect the park's unique natural habitat, which includes 121 endemic and endangered species of orchids, the greatest blue swallow breeding population in the world, and an important anchor population of roan antelope in Africa.

Similarly, a historic agreement was reached with the Government of Zimbabwe to co-manage the iconic Greater Mana Pools Ecosystem over the next two decades. Home to 400 recorded species of birds, Mana Pools is both a World Heritage and Ramsar site and, together with Victoria Falls, serves as a main draw of tourism income for the country.

Together with Conservation International, we announced a US\$ 150 million partnership commitment to restore 20 million hectares of degraded rangelands in southern Africa over the next decade. This collaboration that revolves around creating simple and scalable solutions for Africa's cattle ranchers is providing tangible results for the farmers, their cattle and nature. The programme



A series of pioneering cross-border rhino translocations moved critically endangered black and near-threatened white rhino to Zinave National Park to restore numbers of both species there and establish a founder population of African rhino in Mozambique

called Herding for Health combines indigenous and scientific knowledge to develop grazing plans, manage animal diseases and mitigate human-wildlife conflict and is currently operational across 800 000 hectares and seven countries throughout Sub-Saharan Africa.

The impact of collaborations extended to Maputo National Park's Blue Action Fund programme, showcasing the power of partnerships in achieving harmony between people and nature. Through support from the German Government and Blue Action Fund, Peace Parks is protecting coastal ecosystems while empowering thousands of people with the skills, infrastructure and knowledge they need to be able to use natural resources responsibly, sustain their livelihoods and become adaptable and resilient in the face of climate change.

Continued partnerships yielded rewilding successes, including rhino translocations to Zinave National Park and carnivore reintroductions to Maputo National Park. This Rewilding Programme has been transformative in restoring dysfunctional ecosystems and protected areas that only existed on paper. By the end of 2023, 18 163 game animals had been introduced to 13 protected areas throughout southern Africa resulting in population growth to an estimated 92 400 animals. This has restored the nutrient and carbon cycles of massive tracts of dormant land, converting it from emitting carbon to storing it.

Through the combined power of collaborations, Peace Parks aims to secure 980 000 km² of functional transboundary landscapes in southern Africa by 2050, where people and nature can thrive.

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Malawi's Minister of Tourism, The Hon. Vera Kamtukule, and the Chief Executive Officer of Peace Parks Foundation, Mr Werner Myburgh, sign a ground-breaking 20-year co-management agreement to secure the long-term protection and sustainability of Nyika National Park and Vwaza Marsh Wildlife Reserve in Malawi

This year marks the 25th anniversary of the creation of Laureus by Richemont. In this time Laureus has used the power of sport to improve the lives of over 6.5 million children and young adults around the world since 2000.

Originally conceived by Richemont Chairman Johann Rupert, with the support of many of the world’s most renowned athletes, Laureus Sport for Good’s mission is to use the power of sport to end violence, discrimination and equality for children and young people. It 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.”

This has been Laureus’ mantra from day one, with its mission to fund, support and develop humanitarian programmes and initiatives that use sport to create equality, access and opportunity for young people in society.

Founded by athletes and run by athletes, currently under the Chairmanship of former All Blacks captain Sean Fitzpatrick, the Laureus World Sports Academy volunteer their time to deliver President Mandela’s legacy, visiting many of the 300 community programmes which Laureus supports via grants in over 50 countries.

Africa has been a fertile ground for the work of Laureus throughout its 25 years, with its first ever project established in 2000 in Kenya, and the latest initiative also in Africa a generation later. The Sport for Employability and Sustainable Livelihoods initiative is a multi-million-euro programme combining the power of sport as a tool to engage young people with community impact.



Laureus Academy Member and 14-time Gold medal winning Paralympian Swimmer Daniel Diaz visiting a Laureus grant supported programme in Brazil. One of the participants was winner of the IWC Watch Drawing competition, winning scholarship funds and their drawing on the back of a limited edition IWC Laureus watch

The programme will contribute to an increasing number of participants being provided with the relevant skills required to access employment opportunities, secure work experience, mentorships and training, and even launch their own businesses.

Its focus on employability and opportunities for youth is mirrored by an expanding pilot internship scheme launched at Richemont in the US for graduates from Laureus’ supported programmes.

Laureus’ global footprint now spans the globe, creating a network of mutually supportive programmes that share knowledge and experience. Laureus Foundations exist in Argentina, Germany, Italy, Netherlands, South Africa, Switzerland and the US.

Among exciting new initiatives are Jugamos Juntas, which translates to ‘We play together’. It is aimed at giving girls in Mexico City access to safe, inclusive and fun experiences in play and sport. The programme provides grant funding and coach training for community-based organisations to help create positive experiences where girls and boys play and thrive together on and off the field.

Anjali and Sonam started their Avartnam programme in the Seemapuri area of Delhi to improve the lives of local children through sport. When Laureus brought the Sport for Good City model to Delhi it was a chance for them to get involved in broader activities beneficial to the wider community. The Sport for Good City programme extends to Atlanta, Chicago, Delhi, Hong Kong, London, Paris, New Orleans and New York City.

The power of Laureus’ work goes far beyond the world of sport. Every programme supported addresses at least one of the following six social issues from the United Nations Sustainable Development Goals including: Health & Wellbeing, Education, Gender Equity, Employability, Inclusion and Peacebuilding.

Local engagement is complemented by Laureus’ relationship with bodies such as the United Nations and the World Health Organization, and through knowledge-exchange, peer-learning and capacity-building initiatives that Laureus has built across its network to bring together hundreds of community organisations exchanging best practice in driving positive outcomes for young people particularly girls and young women.

Partnership remains at the heart of Richemont’s relationship with Laureus, which extends across the Group in multiple ways, including donations to support programmes around the world. The Laureus World Sports Awards are sponsored by IWC Schaffhausen.

Initiatives with individual Maisons raise funds to benefit Laureus Sport for Good. Richemont employees are involved in a wide range of fundraising activities to support Laureus’ work, and also serve in multiple voluntary capacities to help drive its mission forward.

Together, Laureus and Richemont continue to prove that sport has the power to change the world.

For more information, go to www.laureus.com

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.

Guided by a belief that human talent and its creative expressions are fundamental to human existence, the Foundation aims to drive diversity within artisanship and demonstrate the value that craft plays in enriching people's lives.

In the course of the year, the Foundation worked on building the Homo Faber brand with the creation of a new hub bringing together all projects into one online ecosystem, reinforcing its mission to existing users and newcomers. As part of this rebranding, the Homo Faber Guide was redesigned to make it an ideal travel companion to discover craftsmanship, near and far. Homo Faber NextGen launched with a call for participation to the Foundation's two education programmes aimed at the next generations of craftspeople.



Nodir Rasulov, Gold thread embroiderer, Uzbekistan

The first edition of Homo Faber Fellowship began in September with 21 selected duos taking part in a masterclass at Joana Vasconcelos' Studio in Lisbon. A life-changing experience for aspiring artisans, the sponsored seven-month professional integration programme gives master artisans the chance to hand down their knowledge and skills to craft graduates. Developed with the support of Jaeger-LeCoultre, this is a unique programme combining entrepreneurial business skills acquisition with practical learning, to fully equip graduates for a successful careers in craftsmanship.

The Foundation continued to broaden its global reach, working with a community of friends and craft experts outside Europe, to expand sourcing for its projects internationally. As a result, by March 2024, the Homo Faber Guide will feature over 2 800 artisans from 46 countries.

In partnership with the Zurich University of Applied Sciences, the Foundation also launched a research paper on craftsmanship to reinforce its positioning and endorse its purpose. This original and inspiring academic research describes the value of craft to individual wellbeing, culture, society and the economy from various points of view. It will be a vehicle to elevate the craft sector, beyond the scope of the Foundation's activities.

Looking ahead, on the horizon is Homo Faber 2024, the third edition of a biennial celebration of contemporary craftsmanship, which will take place from 1 to 30 September in Venice. Luca Guadagnino and architect Nicolò Rosmarini will bring their vision to the art direction exploring *The Journey of Life*, a concept by Hanneli Rupert. Their staging will immerse visitors in a rich human narrative that weaves its way through the magnificent spaces of Fondazione Giorgio Cini.

During the September Biennial, the Foundation will launch the second edition of Homo Faber Fellowship with the masterclass taking place in Venice. The aim is to increase the number of selected duos to 30, double the number of participating European countries and to encourage more applications from international fellows.

For more information on Homo Faber, please visit: www.homofaber.com

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