Richemont

Environmental Code of Conduct
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As a member of the global community, Richemont strives to act as a responsible corporate citizen carrying out its business activities in a manner that is consistent with the protection of the environment and the sustainable utilisation of natural resources.

Through the nature of Richemont’s products and services, the Group is not directly involved in sectors considered as having a highly significant impact on the environment. Nevertheless, the various Maisons make extensive use of renewable and non-renewable raw materials, such as precious and gem stones, gold, leather, woods and natural resins and Richemont therefore seeks to address environment related issues throughout its global supply chain and business operations.

The principles outlined in this Environmental Code of Conduct confirm Richemont’s commitment to environmental stewardship in line with national and international norms and standards for environmental management. Richemont therefore requires all its employees, to contribute to its environmental performance by adopting the principles and practices outlined below.

The responsibility for the implementation of the Environmental Code of Conduct within the Group worldwide will be assigned to the general manager of each facility.

Awareness and training

As part of the implementation of the Environmental Code of Conduct, Richemont will communicate its environmental policy to all employees, suppliers and other stakeholders.

Facilities and operations

Richemont will develop, design and operate facilities and conduct activities taking into consideration the environmental issues in order to minimise the adverse impacts on the environment.

Facilities

Richemont will ensure that construction, conversion, modernisation and other building work at each facility will be performed in compliance with local environmental legislation, norms and regulations and executed in harmony with the environmental surroundings.

Energy and water use

Richemont will monitor the consumption of water, energy, oil, natural resources and other materials used in its operations with a view to optimise their usage and minimising waste. This includes heating, lighting, ventilation and air-cooling.

Management and employees responsible for the packing and transport of goods will adopt, wherever possible, an “efficient energy use” strategy by careful planning, organisation and grouping of the shipments.
Emissions, effluents

Facilities will ensure strict compliance with legal environmental norms and specific industrial regulations relative to pollution control by installing appropriate retention and filter systems.

Facilities will monitor and control greenhouse gas emissions, ozone-depleting substance emissions, waste water discharges and any other relevant emissions resulting from the manufacturing operations in accordance with local regulation and industry best practice.

Waste recycling

Richemont will monitor waste collection and recycling by type with special attention being paid to the treatment of hazardous materials. Wherever feasible, materials will be recycled.

Endangered or protected species

Richemont will fully comply with special international and local regulations such as the Convention on International Trade in Endangered Species (CITES) related to the procurement, import, usage and export of raw materials issued from endangered or protected species.

Leather products manufacturing

Richemont entities will adhere to the principles established by the European Leather Association in terms of the production of leather goods (COTANCE) regarding employee and customer health and safety and aim at minimising the adverse environmental Impact of the production processes.

Perfumes and cosmetic products

Group companies will comply with EU legislation in terms of the production of perfumes and cosmetics products. (European Council Directive 76/768/EEC)

Animal testing

The Group will adhere to the principles of Corporate Standards of Compassion for Animals, seeking to ensure that no materials used in its products have been tested or caused harm to animals.

Conflict-free diamonds

Richemont adheres to the principles of the “World Diamond Council Resolution on Industry self-regulation” by the introduction of written warranties throughout the whole supply chain from the supplier until the final customer. Richemont will explicitly state the “conflict-free diamond” warranty statement on its internal invoices and will require it from all suppliers as soon as possible.
No “dirty gold”

Richemont adheres to the principles of responsible gold procurement. To the extent feasible under prevailing industry practices, Richemont will request that its suppliers provide assurance as far as possible that gold being supplied has been mined in a manner which respects human and labour rights and does not inflict environmental damage, either directly or through the subsequent pollution through seepage of chemicals.

With respect to internal manufacturing operations involving gold and other precious metals, Richemont facilities will operate in full compliance with local laws and regulations and seek to apply industry-wide best practice in the handling of such materials.

Product stewardship

Richemont Maisons aim to reach technically and economically viable objectives and apply, wherever appropriate, a “design for environment” approach in order to optimise the environmental performance of their products through the product lifecycle.

The nature of Richemont Maison’s products – watches, jewellery, leather goods, writing instruments, apparel and other high range accessories - requires high packaging quality standards. However, possible, recyclable and renewable raw materials will be used for packaging.

Materials used for storage and transportation will be made, wherever possible, of recycled and recyclable materials and re-used wherever possible.

As part of after-sales maintenance and repair services mainly related to watch products, Richemont customer services worldwide will secure the replacement, storage and appropriate disposal of any components, including for electronic circuits and batteries, which may have an adverse impact on the environment.

Precautionary approach

Richemont Maisons will seek to make all necessary adjustments to design, manufacturing or use of products or services, consistent with the latest scientific and technical knowledge, to prevent any adverse impact on health, safety or the environment arising from the production process or from products themselves.

Richemont will develop and maintain, where significant hazard related risks exist, emergency preparedness plans in conjunction with the relevant services and authorities.

Suppliers and other stakeholders

Richemont will encourage its Suppliers to adhere to principles outlined in this Model Environmental Code of Conduct and promote, where appropriate, necessary improvements in their practices to make them consistent with those of the Group.

As part of open dialogue with the Stakeholders; any potential concern or proposal for improvement with respect to the environmentally responsible practices should be reported to directly to senior management.
Monitoring, evaluation and compliance

The Group will regularly monitor the performance of its manufacturing facilities in terms of compliance with this Code.

All existing or potential discrepancies between current operations and requirements set out in Model Environmental Code of Conduct should be evaluated and reported along with appropriate recovery action plans.

Any material non-compliance with these guidelines may be reported to the Head of Internal Audit at "whistle.blowing@richemont.com". To enable a prompt assessment and the implementation of appropriate corrective action, the informant may not report anonymously. Nevertheless, protection and confidentiality are guaranteed by the independence of the Internal Audit function.

Regular updates

This Model Environmental Code of Conduct will be revised and updated on an ad hoc basis to address continuing requirements of responsible environmental management as they arise.