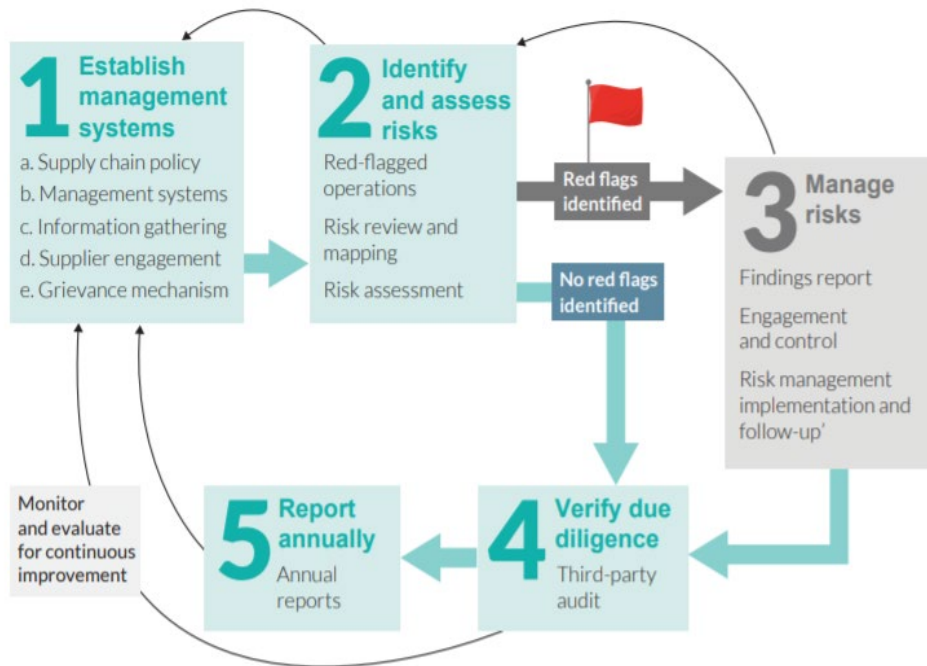


PRECIOUS METALS AND STONES DUE DILIGENCE REPORT

NOVEMBER 2021

Vacheron Constantin has a strong due diligence process in place for precious metals, diamonds and colored gemstones following the five-step framework of the OCDE (Organisation for Economic Co-operation and Development):



Our latest risk analysis ended in November 2021. It reveals no red flag in our precious metals and stones supply chains.

Any new business relationship relating to the purchase of precious metals and stones needs to follow our Due Diligence process including a careful evaluation of risks and a structured approval process.

1. MANAGEMENT SYSTEMS

To support our Due Diligence process, Vacheron Constantin established a clear governance framework: coordinated by the Risk Management department of the Maison and comprising the highest level of management including Chief Finance Officer, Chief Operating Officer, International Supply Chain Director, Purchasing Director and Purchasing Managers.

A supply chain policy has been formalized and published.

Vacheron Constantin's suppliers were requested to provide the most relevant information and robust guarantees about their own supply chain.

A system of control and transparency applicable to the precious supply chain helps to identify and assess the risks inherent in the supply chain. Each supplier is subject to a questionnaire which includes all the elements necessary for a good understanding of the supply chain and for suppliers to exercise due diligence.

Any non-compliance with the due diligence principle can be reported through the Richemont grievance mechanism (whistle.blowing@richemont.com).

2. RISK ASSESSMENT

Our Risk assessment matrix is the results of an extensive analysis of guarantees obtained from our suppliers in terms of:

- Human rights adherence
- Supplier's commitment toward Richemont standards (Supplier Code of Conduct and Responsible Jewellery Council (RJC) Code of Practices (COP) certification)
- Know your counterpart process participation
- Supply chain transparency
- Own due diligence exercise and result

3. RISK MANAGEMENT

Red flags appear when weaknesses in the due diligence management are identified regarding the following elements:

- A high country-risk level for supplier;
- The supplier is registered on a watchlist;
- Unwillingness to commit to the Richemont Supplier Code of Conduct;
- A lack of transparency from the supplier regarding its supply chains combined to the absence of third-party certification (e.g. RJC COP certification);
- For suppliers from the diamond supply chain, discrepancy against the Kimberley System of Warranty appears.

Here are the main insights resulting from our November 2021 risk analysis:

Legal compliance, supply chain policy, CSR audits are conducted at Group and Maison level, ensuring robust due diligence process are implemented.

Gold: 100% of our fine gold is provided by our Group refiner, providing us RJC COC certified Gold, with sources selected according to their transparency level and the due diligence process results applied in all steps of the supply chain. We are fully compliant with the Richemont Group Gold Sourcing policy detailed here: <https://www.richemont.com/en/home/sustainability/reporting-centre/>

Diamonds: 100% of our diamonds are bought from RJC COP-certified members and comply with the Kimberly process and System of Warranties as developed by the World Gold Council.

Coloured Gemstones: 91% of our colored gemstones purchased are bought to RJC COP-certified members, and the 9% remaining are in the process of being certified.

In order to enhance due diligence process and in its search for excellence, Vacheron Constantin is committed to an ongoing dialogue with its suppliers to build trustful, long-term relationship.

4. DUE DILIGENCE VERIFICATION

Our due diligence assessment will be audited in November 2021 as part of the RJC COP 2019 re-certification process.

5. ANNUAL REPORT

This report constitutes the annual report expected under the OCDE framework.