



2022 ANNUAL REPORT



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1. DESCRIPTION OF THE COMPANY

At the heart of Place Vendôme, Chaumet creates exceptional jewelry with grace and character. Elegant and daring, the timeless style of the House's pieces never ceases to evolve with the times and the world's influences, combining tradition and modernity. In the Haute Joaillerie workshop, the craftsmen pass on their know-how to create masterpieces of lightness and movement, of which the tiaras are the signature. A unique virtuosity that has been constantly reinvented for over 240 years. The jewelry and watches are manufactured through our external network of suppliers located mainly in France, Italy, and Switzerland.

CHAUMET INTERNATIONAL S.A is a subsidiary of the LVMH Moët Hennessy Louis Vuitton Group (« LVMH »). CHAUMET INTERNATIONAL S.A. is composed of its subsidiaries: CHAUMET KOREA LLC, CHAUMET LONDON LIMITED, CHAUMET AUSTRALIA PTY LTD, CHAUMET IBERIA SLU, CHAUMET MIDDLE EAST FZCO, CHAUMET HORLOGERIE SA (Switzerland), CHAUMET MONACO SAM, CHAUMET EAU TRADING LLC, CHAUMET KUWAIT WLL, CHAUMET ARABIA LTD, hereafter called CISA Group. The CISA Group is operating in five main markets: Europe, Japan, Asia Pacific, the Middle East, and China with a worldwide network of 76 shops by the end of 2022.

2. COMMITMENTS

A. HUMAN RIGHTS

Respect of human rights is an essential part of the vision and values of the CISA Group. In accordance with the UN Guiding Principles on Business and Human Rights, our CISA Group is committed to respecting internationally recognized human rights, as set out in the UN International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. We respect the OECD Guidelines. We are also committed to the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.

The requirement to respect human rights is considered a basic expectation for all employees, partners, suppliers, contractors, and other parties directly involved in its operations, products, or services.

Our commitments are outlined in our human right policy, which is available on our website.

The LVMH Group also provides an annual CSR report, verified by the Group's external auditors, analyzing its commitments and achievements in terms of developing talent and skills (preserving strategic expertise, transmitting traditional craft skills); preventing discrimination and respecting individuality, diversity and inclusion; continuously improving the quality of life in the workplace (improving working conditions, supporting flexibility and work-life balance); guaranteeing fair wages; supporting local communities. For the preparation of this report, Chaumet provides the LVMH Group with annual CSR reporting on these issues.

In accordance with the RJC's guidance, an analysis of our human rights risks was carried out, considering the subjects of non-discrimination and harassment. We did not detect any risks necessitating the implementation of an action plan. Nevertheless, all these risks will be reviewed on a yearly basis and supplemented if needed.

B. SUPPLY

The CISA Group is conscious of the potential social impact of its activities, particularly in relation to the sourcing of raw materials. For this reason, the company has set out its responsible sourcing policy (available on our website) to conduct its business in an ethical manner and with respect for human rights.

The CISA Group requires its suppliers to comply with the ethical principles contained in the **LVMH Supplier Code of Conduct** (available on the Internet) and to ensure that their own suppliers and subcontractors comply with these principles. The obligation to comply with the Supplier Code of Conduct is part of the contractual conditions. This Code of Conduct ensures that fundamental human rights are respected: prohibition of child labor, prohibition of forced and illegal labor, prohibition of discrimination and harassment... It specifies the conditions of remuneration, working hours, freedom of association, and protection of local communities. It also details the environmental compliance and performance of our operations. Finally, it specifies the requirements in terms of business ethics and integrity (fight against corruption, money laundering, financing of terrorism, gifts and invitations, conflict of interest situations, respect for competition, etc.)

CISA Group is a certified member of the **RJC** (Responsible Jewelry Council) since 2005. This organization promotes responsible practices in the jewelry industry. This certification audits our company on our ethical, social, and environmental practices and ensures that we respect human rights throughout our supply chain. Particular attention is paid to the production of jewelry items: as such, we confirm our commitment to act responsibly and to work with trusted suppliers located in countries that are signatories to the **Kimberley Process**, an initiative that brings together governments, industry and civil society and aims at preventing the circulation of conflict diamonds through an international certification system.

CISA Group is committed to implementing the OECD's five-step due diligence process for responsible supply chains of minerals from conflict and high-risk areas.

As part of its duty of care, CISA Group has implemented a risk assessment management system, and benefits from the LVMH Group's grievance management mechanism, which aims to prevent or mitigate negative consequences related to our sourcing practices.

RISK ASSESSMENT

In association with LVMH and the guidelines of the Responsible Jewelry Council, Chaumet monitors social and human rights risks throughout the supply chain. To carry out our risk assessment, we ask our suppliers to complete a self-assessment questionnaire covering, among other things, the following subjects: management of the duty of care, risk assessment in line

with the OECD, certifications obtained, and compliance with the UN guidelines on human rights. As a reminder, all our suppliers must sign our Supplier Code of Conduct.

To this end, Chaumet has set up a risk assessment of its supply chain and an associated action plan based on the level of risk established.

Based on the suppliers' responses to the questionnaire and the knowledge of the suppliers' activities as well as their level of certification (RJC), Chaumet has identified the possible risks. In 2022, no specific risks were identified.

The LVMH Code of Conduct includes a monitoring clause, reserving the right to audit our suppliers on all the principles stated in the Code. Suppliers must commit to improve or resolve identified non-compliances. As a result, the company is working to strengthen its internal procedures and processes with particular attention to the sourcing of gold, diamonds, and colored gemstones through the implementation of a due diligence process throughout our supply chain, in line with the OECD Duty of Care Guide for Responsible Supply Chains of Minerals from Conflict affected and High-Risk Areas. (CAHRA).

C. ETHICS

The internal control department carries out an annual mapping of risks and implements actions to limit the impact of these risks. This analysis is the foundation for the work of internal control, which, in its quest for continuous improvement, works to provide reasonable assurance that these action plans are being carried out. This enables the effective management of the protection of the Company's assets, both tangible and intangible, and the reliability of accounting, financial and social information in accordance with applicable laws and regulations.

In 2022, the Management Board together with the Audit and Risk Management considered that laws and regulations were becoming increasingly stringent in the House's business sector. As a result, a new major risk has been included in the House's risk map: **violations of rules and regulations**.

This major risk includes several scenarios including non-recertification of the RJC.

To minimize the occurrence and impact of this risk, policies and procedures are in place in the House. Today the risk is limited. Nevertheless, an ongoing action plan is in place and monitored by the Ethics and Compliance Committee.

The LVMH Group's internal audit department conducts periodic audits to ensure compliance and the effectiveness of the procedures in place.

Our **KYC (Know Your Counterpart)** policy confirms Chaumet's commitment to preventing money laundering and terrorist financing in its business practices and transactions. To this end, we have implemented Know Your Counterpart (KYC) procedures to combat money laundering and the financing of terrorism.

CISA Group promotes a culture of dialog and transparency and has adopted an internal whistleblowing system via the LVMH Alert Line, and an online interface dedicated to employees. The system allows any employee or external stakeholder with knowledge of a

violation of the LVMH Code of Conduct, internal guidelines, principles, and policies and/or applicable laws and regulations to report in a secure and completely confidential manner any actual or potential violation of internal guidelines and procedures, ethical principles and applicable laws and regulations.

Employees may contact their manager, their Human Resources Manager, their company's Ethics and Compliance Officer or the Group's Director of Ethics and Compliance.

External stakeholders may express their concerns to their contact(s) at LVMH.

The Group ensures that no disciplinary action is taken against persons who have used these channels in good faith because of the reporting of a warning, even if the facts subsequently prove to be inaccurate or unfounded and/or do not give rise to any proceedings or sanctions.

This interface is accessible via the following link: <https://alertline.lvmh.com>.

D. CULTURE

The year 2022 was marked by a cultural event for our House: the exhibition "Végétal - L'école de la beauté" which took place from June 16 to September 14 at the Beaux-Arts in Paris. Crossing visions, eras and media, this original exhibition invited spectators to look at nature through the universal prism of art and beauty. Initiator of the project, Chaumet drew on its vast heritage, one of the most important in the history of jewelry in Europe, to make its botanical vision resonate with all the artistic forms that have also looked at plants. Nearly 400 art works were presented, offering the public a stroll through 5,000 years of art and science, told through a dialogue between paintings, sculptures, textiles, photographs, furniture and 80 jewelry objects from Chaumet and other houses.

To remain innovative, the LVMH group invites its employees to share their ideas and then realize them as a project through the DARE program. This is how the Heristoria project came into being at the end of 2022, with the objective of promoting "heritage" pieces via an online sales platform. In this context, our House has responded by adding to the catalog a 1926 bracelet emblematic of the Art Deco period.

3. SUSTAINABLE GOALS

LVMH supports the Sustainable Development Goals (SDGs) and contributes to their achievement.

As of 2012, LVMH created an environmental roadmap setting clear goals and deadlines. In 2020, the 2030 roadmap was published under the name LIFE 360. Each Maison must implement this roadmap and take the necessary actions to achieve its goals. LVMH has made a commitment to the SBTi (Science Based Target Initiative) to reduce its GHG (greenhouse gas) emissions from energy consumption by 50% in absolute terms by 2026 (scopes 1 and 2) and to reduce its GHG emissions per unit of value added by 55% by 2030 (scope 3). LVMH is

therefore on a carbon trajectory compatible with the Paris Agreement and is contributing to the European objective of carbon neutrality in 2050. In this context, we are identifying our main natural resources and adopting a logic of improving the efficiency with which they are used.

The 4 pillars of LIFE 360 are the following ones:

- Protection of biodiversity
- The Fight against climate change
- Circular economy
- Transparency

As a House of the LVMH group, Chaumet has undertaken actions that meet the requirements of the LIFE 360 program and has applied the Group's guidelines for energy sobriety, both in France and in the rest of the world.

4. LEXIQUE

CISA = Chaumet International S.A.

KYC = Know Your Counterparty

LVMH = Louis Vuitton Moët Hennessy

LIFE 360 = LVMH Initiatives for the Environment

OECD = Organization for Economic Co-operation and Development

UN = United Nations

RJC = Responsible Jewelry Council

Signed the 1st of March 2023

By: Sandra Lesteven, CSR and Sustainability Director.