



## **CORPORATE RESPONSIBILITY POLICY**

This document formulates Cartier's corporate responsibility policy, adopted for the benefit of our customers, our employees, our shareholders, and civil society as a whole.

Cartier's Corporate Responsibility Policy applies to all Cartier staff and all Cartier entities, regardless of size, activity, or location.

The Policy applies equally to Cartier's supply chain – particularly to materials used in our creations, packaging, and visual merchandising – , and to all suppliers who contribute to their manufacturing.

Cartier is committed to continuously improve its ethical, social and environmental performance, with the aim to achieve full conformance with the terms of this Policy.

Cartier has endorsed the principle of independent monitoring of corporate practices.

## **OUR VISION**

Our vision is defined by the values which underpin our history and determine our future:

In keeping with our origin as jewellers, we strive to exceed the limits of excellence, to create objects of the highest quality, and to invent new approaches to beauty.

The objects we craft are destined to last.

We are conscious of the heritage of the Maison Cartier, and take ownership for our corporate actions.

We demand the very best of ourselves, as do our customers.

Our customers honor us with their trust. Through our work behavior and commitment, we endeavor to deserve this trust each passing day.

## THE PRINCIPLES WE ENDORSE

The following principles are inspired from the Principles adopted by the Council for Responsible Jewellery Practices ([www.responsiblejewellery.com](http://www.responsiblejewellery.com)), created in May 2005, of which Cartier is a founding member.

### Business Ethics

- 1 We are committed to conducting our businesses to a high ethical standard, and to ensuring integrity, transparency and conformance with applicable law.
- 2 We will not engage in bribery and/or corruption.
- 3 We will not tolerate money laundering and/or financing of terrorism.
- 4 We will adhere to the Kimberley Process Certification Scheme and the World Diamond Council voluntary system of warranties [see end of this document], whose purpose is to put an end to conflict diamond trade, and will support similar future initiatives aiming to protect human rights and the integrity of our supply chain.
- 5 We will disclose the material characteristics of the products that we sell.
- 6 We will act in accordance with anti-trust regulations.

### Social Performance

- 7 We believe in and will respect the fundamental human rights and the dignity of the individual, according to the United Nations Declaration of Human Rights.
- 8 We will not tolerate the use of child labour.
- 9 We will not use any forced, bonded, indentured or prison labour, nor restrict the freedom of movement of employees and dependents.
- 10 We are committed to high standards of health and safety in our operations.
- 11 We will not prevent workers from associating freely. Where laws prohibit these freedoms, we will support parallel means of dialogue.
- 12 We will not discriminate based on race, ethnicity, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, marital status, physical appearance, age, or any other applicable prohibited basis in the workplace.
- 13 We will not use corporal punishment under any circumstances and will prohibit the use of degrading treatment, harassment, abuse, coercion or intimidation in any form.
- 14 We will adhere to working hours and remuneration legislation, or, where no such legal requirements have been established by law, the prevailing local industry standards.
- 15 We will take reasonable measures to ensure the physical integrity and security of our employees and product shipments.
- 16 We will support the development of communities linked to our own activities, contributing to their social and economic welfare.
- 17 We will recognise and respect the rights of indigenous peoples and the value of their traditional, cultural and social heritage.

### Environmental Performance

- 18 We will conduct our businesses in an environmentally responsible manner.
- 19 We will manage our environmental footprint by eliminating or minimising negative environmental impacts resulting from our operations.
- 20 We will ensure the efficiency of our business operations by managing our waste and our use of water and energy.

# CARTIER'S COMMITMENTS

## Business Ethics

**Principle 1 - We are committed to conducting our businesses to a high ethical standard, and to ensuring integrity, transparency and conformance with applicable law**

- We will comply with the applicable laws and regulations relating to our activities and the countries in which we operate.
- We will strive for continuous improvement of this policy and standards as a means to support the principles we uphold.
- We will communicate our responsible vision and policy throughout our organization and to our business partners. We will make our policy available to all key stakeholders.
- We will continue to require high standards within our supply chain in relation to business ethics, and to align our purchasing policy with our business ethics commitments to the fullest extent possible.

**Principle 2 - We will not engage in bribery and/or corruption**

- We will prohibit bribery and corruption in all business transactions carried out by ourselves or through business associates, as such that may compromise the principles of fair competition or constitute an attempt to obtain or retain business or influence the course of the business or governmental decision-making process.
- We will not allow any employee to suffer negative consequences for voicing a concern or refusing to engage in an act of bribery.
- We will prohibit acceptance by ourselves as a company, or by any of our employees, of payments, gifts in kind, expenses, discounts, advantages or promises such that may influence the course of our business decisions.

**Principle 3 - We will not tolerate money laundering and/or financing of terrorism**

- We will comply with the applicable national and, where appropriate, international accounting and banking standards and processes (such as independent auditing).
- We will comply with national and, where relevant, international and transnationally applicable law with respect to money laundering, financing of terrorism, fraud, and other illegal activities.
- With respect to the above-mentioned issues, we will ensure that our employees are aware of applicable rules and regulations and of company policy, and that they are kept abreast of their evolutions.

**Principle 4 - We will adhere to the Kimberley Process Certification Scheme (KPCS) and the World Diamond Council voluntary system of warranties, whose purpose is to put an end to conflict diamond trade, and will support similar future initiatives aiming to protect human rights and the integrity of our supply chain.**

- We will not knowingly buy conflict diamonds or assist others to do so.
- Our diamond purchases will be made in accordance with the KPCS and system of warranties. A supplier statement of warranty is required on all invoices concerning diamonds received by Cartier.
- We will keep invoices received, pertaining to the purchase of diamonds, for a minimum period of 5 years for audit and reconciliation purposes.
- We will suspend any supplier relationship in which our supplier is suspected of being involved in conflict diamond trade until we obtain assurances that no such trade dealings are taking place, or that such dealings were taking place without knowledge on the part of the supplier and that the supplier has taken all appropriate measures to end such dealings.
- We will terminate any supplier relationship in which our supplier is found to be knowingly involved in conflict diamond trade and will reserve the right to prosecute the supplier accordingly.

- We will ensure that company employees that buy or sell diamonds are well informed about the Kimberley Process, government restrictions on the trade in conflict diamonds and their duty to abide by Cartier policy requirements. We will regularly update our staff on the issue of conflict diamonds and Cartier policy in respect to diamond purchasing.
- Beyond the Kimberley Process and the voluntary system of warranties adopted by the diamond industry, we will support and implement any further procedures or processes agreed together by the diamond industry, governments, and civil society representatives aiming to put an end to trade in conflict diamonds.
- We will play a proactive role to encourage and support similar endeavors, for instance in the area of gemstones and precious metals and, to this effect, will engage with others in order to define and promote appropriate measures.

**Principle 5 - We disclose the material characteristics of the products that we sell**

- We will comply with the relevant trading standards legislation, and where they exist, specific national regulations and generally accepted industry guidelines applicable to the types of products we sell.
- We will properly disclose, to our clients and prospective clients, relevant information on the material characteristics of our products, such as, for jewellery, weight, cut, color, clarity or fineness of precious gemstones and metals, in accordance with recognized national and international guidelines.
- We will not make any untruthful, misleading, or deceptive statement, representation or material omission in the promotion or advertising of our products.
- We will adhere to high standards of product quality and safety.
- We will ensure adequate training of our staff on our history, heritage, products, and policies in order for them to provide full customer experience and reliable information to clients and prospective clients.
- We will ensure proper information of our clients relative to the appropriate way to use our products and care for them.

**Principle 6 - We will act in accordance with anti-trust regulations**

- We will comply with applicable anti-trust laws and regulations.
- We will not seek to make use of our membership in trade organisations to obtain or exchange commercially sensitive information in contradiction to competition laws and regulations.

## Social Performance

**Principle 7 - We believe in and will respect the fundamental human rights and the dignity of the individual, according to the United Nations Declaration of Human Rights**

- We will uphold the United Nations Universal Declaration of Human Rights within our operations and in relation to our business partners.
- We will encourage continuous improvement within our supply chain in relation to social performance, and seek to align our purchasing policy with our social commitments to the fullest extent possible.

**Principle 8 - We will not tolerate the use of child labour**

- We will not, in any country, engage in the employment of children.
- We will employ young persons (younger than 18 and older than 15 years) only in well-defined circumstances (such as for the purpose of vocational training, or as extras in the holiday season) and in accordance with applicable law. Vocational training employment will apply mainly to areas of our traditional product craftsmanship.
- We will consider that standard employment within our entities should in general be between the ages of 18 and 65, subject to applicable law.
- We will require that our business partners who provide us with products and/or services comply with the child and young persons employment guidelines agreed by the Council for Responsible Jewellery Practices. These guidelines will apply to all business partners and not be limited to the jewellery supply chain.

**Principle 9 – We will not use any forced, bonded, indentured or prison labour, nor restrict the freedom of movement of employees and dependents**

- We will adhere to applicable employment laws and regulations.
- We will ensure that all work performed on behalf of ourselves within our operations is based on recognised employment relationships.
- We will not retain original copies of employee personal documentation (such as identity papers), nor require any form of deposit or fee as a condition of employment.
- We will require the same commitments from our business partners who provide us with products and/or services.

**Principle 10 – We are committed to high standards of health and safety in our operations**

- We will provide safe and healthy working conditions for all employees in accordance with applicable laws and regulations.
- We will take appropriate measures to prevent accidents, injury, and health problems arising from or linked to the course of work activities, in our operations.
- We will ensure that employees are aware of specific role-related health and safety risks and hazards, methods for appropriate protection from such hazards, and action to be taken in the event of an accident.
- We will ensure that our workplaces constitute adequate working environments in accordance with required standards (lighting, ventilation, air quality, noise levels and temperature).
- We will offer workplaces which are adequately constructed and maintained to meet local building regulations.
- We will ensure employees have access to a mechanism by which they can raise and discuss health and safety issues with management.
- We will monitor health and safety issues and adequately address such issues that arise.
- We will provide our employees with clear, understandable information on health and safety, as well as with relevant training, updated on an adequate basis.
- We will ensure that appropriate measures are employed to minimize the risk of employee contact with hazardous substances, through the use of protective equipment and gear, the use of appropriate containers, and posting of safety notices.
- We will not make use of substances that are subject to national or international bans for their adverse effects on humans or the environment.
- We will require our business partners who provide us with products and/or services to comply with the above-mentioned commitments and, where appropriate, provide them with assistance in meeting these standards.

**Principle 11 – We will not prevent workers from associating freely. Where laws prohibit these freedoms, we will support parallel means of dialogue**

- We will adhere to applicable law and collective bargaining agreements where such agreements exist.
- Where such agreements do not exist we will support the implementation of collective employee representation and robust and effective dialogue between management and employees.
- We will require our business partners who provide us with products and/or services to comply with the above-mentioned commitments.

**Principle 12 - We will not discriminate based on race, ethnicity, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, marital status, physical appearance, age, or any other applicable prohibited basis in the workplace**

- We will not practice or condone any form of discrimination in the workplace on these bases.
- We will observe the right to freedom of practice by employees of religious or cultural practices, as far as is reasonable.
- We will provide appropriate training to our employees on a continued basis, in order for them to acquire, maintain and further the skills which will provide them with access to career opportunities.
- We will require our business partners who provide us with products and/or services to comply with the above-mentioned commitments.

**Principle 13 – We will not use corporal punishment under any circumstances and will prohibit the use of degrading treatment, harassment, abuse, coercion or intimidation in any form**

- We will not make use of or condone such practices.
- We will clearly communicate applicable disciplinary processes and procedures to our employees.
- We will ensure that grievance procedures and investigation processes are in place and are communicated to all employees.
- We will require our business partners who provide us with products and/or services to comply with the above-mentioned commitments.

**Principle 14 – We will adhere to working hours and remuneration legislation, or, where no such legal requirements have been established by law, the prevailing local industry standards**

- We will ensure that normal working hours comply with national legislation and shall not on a regular basis exceed a maximum of 48 hours per working week.
- We will provide weekly rest and paid annual leave in accordance – at a minimum – with national legislation and applicable sector regulations.
- We will abide by all legally mandated provisions for leave, including maternity, paternity, and compassionate leave.
- In this and other provisions, we will strive to offer appropriate work-life balance to our employees.
- We will ensure that employees are paid with due regard to industry standards and at least according to the applicable legal minimum wage plus associated statutory benefits, with frequency, means of payment, and record of payment (wage slip) compliant with national regulations.
- We will not make illegal deductions from wages for disciplinary purposes.
- We will ensure fair terms and conditions to our business partners who provide us with products and/or services, to the best of our ability, including sufficient notice on planning schedules and payment within an agreed and reasonable timeframe.
- We will require our business partners who provide us with products and/or services to comply with the above-mentioned commitments.

**Principle 15 – We will take reasonable measures to ensure the physical integrity and security of our employees and product shipments**

- We will take appropriate measures to ensure the physical integrity and security of our employees dealing with valuables (product components, semi-finished and finished products) in our operations and during transportation to or from our operations.
- We will ensure that all security personnel respect the human rights and dignity of all people and use the minimum force proportionate to the threat.
- We will take appropriate measures to ensure the physical integrity and security of cash-convertible valuables (product components, semi-finished and finished products) in our operations and during transportation to or from our operations.
- We will require our business partners who provide us with products and/or services to comply with the above-mentioned commitments.

**Principle 16 – We will support the development of communities linked to our own activities, contributing to their social and economic welfare**

- We will endeavor to develop programs supporting communities historically involved in our supply chain, with the aim to contribute to their social and economic welfare.
- We will require of our business partners who provide us with products and/or services to abide by this principle and will support their actions where appropriate.
- We will encourage our employees in their involvement in community programs aiming at bettering society, and will support them where appropriate.

**Principle 17 – We will recognise and respect the rights of indigenous peoples and the value of their traditional, cultural and social heritage**

- We will require of our business partners who provide us with products and/or services that they recognize and respect the rights of indigenous peoples and the value of their traditional, cultural and social heritage.

## Environmental Performance

### **Principle 18 – We will conduct our businesses in an environmentally responsible manner**

- We will ensure compliance of our sites with relevant legal requirements, environmental norms and specific industrial environment regulations and have appropriate mechanisms in place to keep management and key staff up to date.
- We will comply with applicable conventions and regulations regarding the protection of endangered species.
- We will require our business partners who provide us with products and/or services to comply with the above-mentioned commitments.
- We will introduce management and operating systems to minimize use of potentially environmentally damaging materials.
- We will seek to minimize the use of hazardous substances in production processes and use alternatives wherever technically feasible and possible.
- We will seek to minimize the quantity of hazardous waste produced through our operations.
- We will ensure that hazardous waste substances arising from operations are disposed of in a manner which prevents pollution of the surrounding land, water resources and atmosphere.
- We will encourage continuous improvement within our supply chain in relation to environmental performance, and seek to align our purchasing policy with our environmental commitments.

### **Principle 19 – We will manage our environmental footprint by eliminating or minimising negative environmental impacts resulting from our operations**

- We will seek to factor appropriate environmental considerations into the development of our processes, technologies, products and packaging in order to optimize environmental performance as viewed from a full life-cycle perspective from design to disposal.
- We will ensure that facilities managers are aware of specific pollution risks, methods for appropriate prevention, and action to be taken in the event of an incident.

### **Principle 20 – We will ensure the efficiency of our business operations by managing our waste and our use of water and energy**

- We will take steps to reduce the quantity of general waste produced from our operations through the principles of: reduce, recover, re-use and recycle.
- We will use appropriate measurements of waste emissions to inform an ongoing abatement and/or control program.
- We will take steps to reduce the quantity of water, oil and energy consumed in our operations.
- We will use appropriate measurements of water and energy consumption to inform an ongoing abatement and/or control program.
- We will seek to implement practices that reduce use of fossil fuels and associated greenhouse gas emissions from transportation.

## APPENDIX

### DIAMONDS – KIMBERLEY PROCESS AND VOLUNTARY SYSTEM OF WARRANTIES KEY POINTS

#### What are "conflict diamonds", or "blood diamonds"?

- They are rough diamonds used by rebel movements or their allies to finance armed conflicts against legitimate and internationally recognised governments. These conflicts have devastating consequences for civilian populations: terror, injury, death. Examples have included Angola, Sierra Leone, the Democratic Republic of the Congo (places of conflict change over time).

#### What is the Kimberley Process Certification Scheme?

- It is a system initiated jointly by governments, the international diamond industry, and civil society representatives, with the support of the United Nations, to put an end to trade in conflict diamonds. It applies to all rough diamonds mined since January 1, 2003.
- In this system, rough diamonds travel in sealed containers, with numbered certificates guaranteeing the diamonds are conflict-free. Participants apply the system to all rough diamonds they import and export.
- Participants include the EU and the US. Participants' practices are subject to review. If one of the participating countries (68 to date) is found non-compliant, it may be barred from the diamond trade.

#### What is the Voluntary System of Warranties?

- The whole diamond industry, through the World Diamond Council, has pledged its support to end conflict diamonds with additional measures applying to diamond and jewellery manufacturing and sales.
- All World Diamond Council members transmit the diamonds along the chain with a statement of warranty that the diamonds are conflict-free. The statement appears on all their invoices.