

Policy
Responsible Sourcing
Bucherer Group

1. Purpose and definition

At Bucherer, we are guided by our values of inspiration, excellence, speed, accountability and inclusion. For the purposes of our responsible sourcing policy and our commitment to supply chain transparency we are driven by accountability: we take responsibility for our actions and expect the same of our business partners.

The Responsible Sourcing Policy illustrates our dedication to bringing about more transparency with regard to the social, ethical and environmental complexities of our supply chains and when managing our relationships with our suppliers. For the purposes of this policy a supplier is any individual or organisation that provides, sells or leases materials, products or services for every product that we design and/or manufacture under the Bucherer name.

This Responsible Sourcing Policy ensures that ethics are maintained within every product that Bucherer sources and creates under the Bucherer name. Our Responsible Sourcing Policy defines the principles on how we conduct business with our strategic suppliers for raw material and our manufacturing activities as a jewellery and watch maker.

2. Integrity in Action – Rules of Conduct

We are making a commitment to the protection of human rights, including the rights of children, with a particular focus on the challenges of sourcing in conflict affected high risk areas (CAHRAs) in accordance with:

- the United Nations (UN) Universal Declaration of Human Rights
- the International Labour Organization (ILO)
- the UN Guiding Principles on Business and Human Rights (UNGPs)
- the United Nations (UN) Children's Rights and Business Principals
- the United Nations (UN) Conventions on the Rights of a Child

Transparent communication: We believe in and promote dialogue and collaboration with our internal and external stakeholders to advance our commitments.

Risk assessment: We expect our employees, suppliers and their third parties to share Bucherer's commitment in recognising adverse impacts of human rights violations including: modern slavery and child labor within our business and supply chain.

Remediation: Where found, we are dedicated to working towards the mitigation and elimination of risks.

Monitoring: We are committed to the continuous improvement of processes that will address emerging challenges and risks across our business.

2.1 Supplier Code of Conduct

We set requirements and expectations for our suppliers to ensure that they share our commitment to responsible sourcing. We require our suppliers, when working with Bucherer, to act in a manner consistent with the Bucherer Supplier Code of Conduct and expect them to adopt a similar policy within their own business.

2.2 Due Diligence Framework

We have a framework and action plan for identifying and managing risks associated with our suppliers, from supplier due diligence, selection and monitoring, through to disengagement. We assess suppliers based on their risk and direct them to the most appropriate due diligence and management process for their risk level.

The so-called risk-based due diligence is the reasonable investigation undertaken by Bucherer to identify, assess, prevent and mitigate risks in our supply chain where the level of supply chain scrutiny is commensurate with the identification of risks.

Our due diligence processes consider the differing complexity, maturity and circumstances of our diverse supplier base. The due diligence process addresses supplier risks associated with:

- regulatory compliance
- abuse of human rights (such as equality, working conditions, modern slavery)
- child labour
- health and safety
- environmental impacts
- the risks associated with Annex II of the OECD Guidance.

Additionally, for suppliers of metals and minerals, we conduct due diligence in accordance with the 5-Step framework defined in Annex I of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas 3rd Edition ('the OECD Guidance') including the Supplements on Gold, Tin, Tantalum and Tungsten. Where geo-political complexities in countries where some precious materials are sourced or purchased exist, we endeavour to reduce, avoid, or mitigate risks. Our suppliers must recognise the risks of significant adverse impacts which may be associated with trading, handling, and exporting, particularly, from conflict affected and high-risk areas.

We expand on our requirements for suppliers of metals and minerals further in our Responsible Sourcing of Minerals & Metals Annex of our Supplier Code of Conduct.

We use a variety of tools to assist us in our due diligence processes, which may include on-site inspections, third party verification, obtaining information from third party sources including authorities, international organisations and civil society, and consulting experts.

2.3 Reporting and Monitoring

We publicly communicate on how we implement our supplier due diligence obligations including on human rights abuses, child labour, and the sourcing of conflict minerals and metals, in compliance with Swiss Law.

Bucherer's commitment to all of our stakeholders is to positively influence the industry while rigorously reviewing our own policies and procedures on responsible business practices and actively working with others to participate in initiatives aligning to our vision and values.

3. Implementation

3.1 Obligation to Report Potential Violations – Maintaining our Ethical Responsibilities

We make reporting channels (e.g. the Bucherer Integrity Line, <https://bucherer.integrityline.org/>) available to our suppliers to raise concerns (including anonymously) regarding compliance with the Supplier Code of Conduct and our policies.

We expect our employees to speak openly and raise concerns about possible breaches of the Bucherer Supplier Code of Conduct and/or the Responsible Sourcing Policy with their manager, supervisor or via our reporting channels.

The Bucherer Integrity Line is available to employees, contractors and external parties. Bucherer takes concerns seriously and handles them promptly. Bucherer has zero tolerance for retaliation against anyone who reports, in good faith, violations or suspected violations of the Bucherer Supplier Code of Conduct.

3.2 Consequences for Policy Violation

If we become aware of facts or circumstances that, in our reasonable determination, indicate that a **supplier** has breached, this Responsible Sourcing Policy, either (i) intentionally, (ii) repeatedly, (iii) in a manner that we reasonably consider to be serious and unlikely to be capable of remediation, or (iv) in circumstances where we reasonably consider that the supplier cannot or will not take actions to

demonstrate compliance within an agreed timeframe, we shall be entitled to terminate our agreement(s) with that supplier by written notice, without prejudice to any other remedy we may have.

With regards to instances of non-compliance by our suppliers of metals and minerals with the risks identified in Annex II of the OECD Guidance, we comply with the mitigation and termination requirements defined in Annex II of the OECD Guidance. If we identify that we have caused or contributed to an adverse impact on human rights in our supply chain, we will provide for, or cooperate in, processes to enable an appropriate remedy.

3.3 Organizational Responsibility

It is the responsibility of every manager to implement this Policy within his/her/their area of functional responsibility, lead by example and provide guidance to the employees reporting to him/her/them.

All employees are responsible for adhering to the rules of conduct set out in this Policy.

This Policy is translated into several languages. In case of questions of interpretation, the English version shall prevail.

For reasons of better readability, the masculine form is used in this policy for personal designations and person-related nouns. In the interests of equal treatment, the corresponding terms apply to all genders. The abbreviated form of language is for editorial reasons only and does not imply any valuation.