SUSTAINABILITY STRATEGY
GUIDELINES FOR SOURCING
2025 – VERSION 5



INTRODUCTION

Sourcing is central to achieving our Maison's primary objective: creating beautiful, desirable, and lasting products while minimizing our environmental impact. Our 2024 global carbon footprint analysis reveals that 43% of our impact stems from raw materials, categorized under «Purchased Goods and Services.» Consequently, the raw materials we source and our sourcing methods are among our highest priorities.

This realization has led us to collaborate with external experts in developing internal Responsible Sourcing guidelines, which are followed by all Chloé Maison departments.

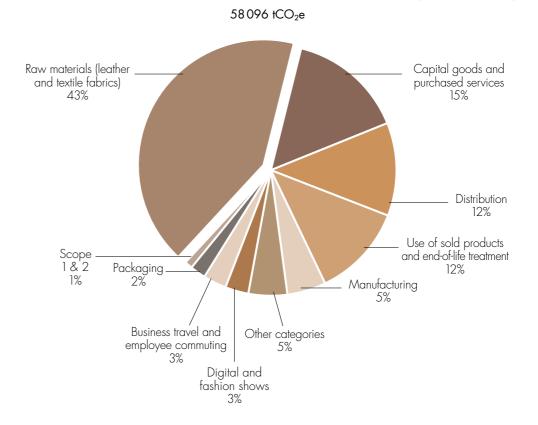
These guidelines emphasize the importance of sustainable practices throughout our supply chain, encompassing a series of rules and policies governing raw material sourcing, manufacturing processes, and packaging.

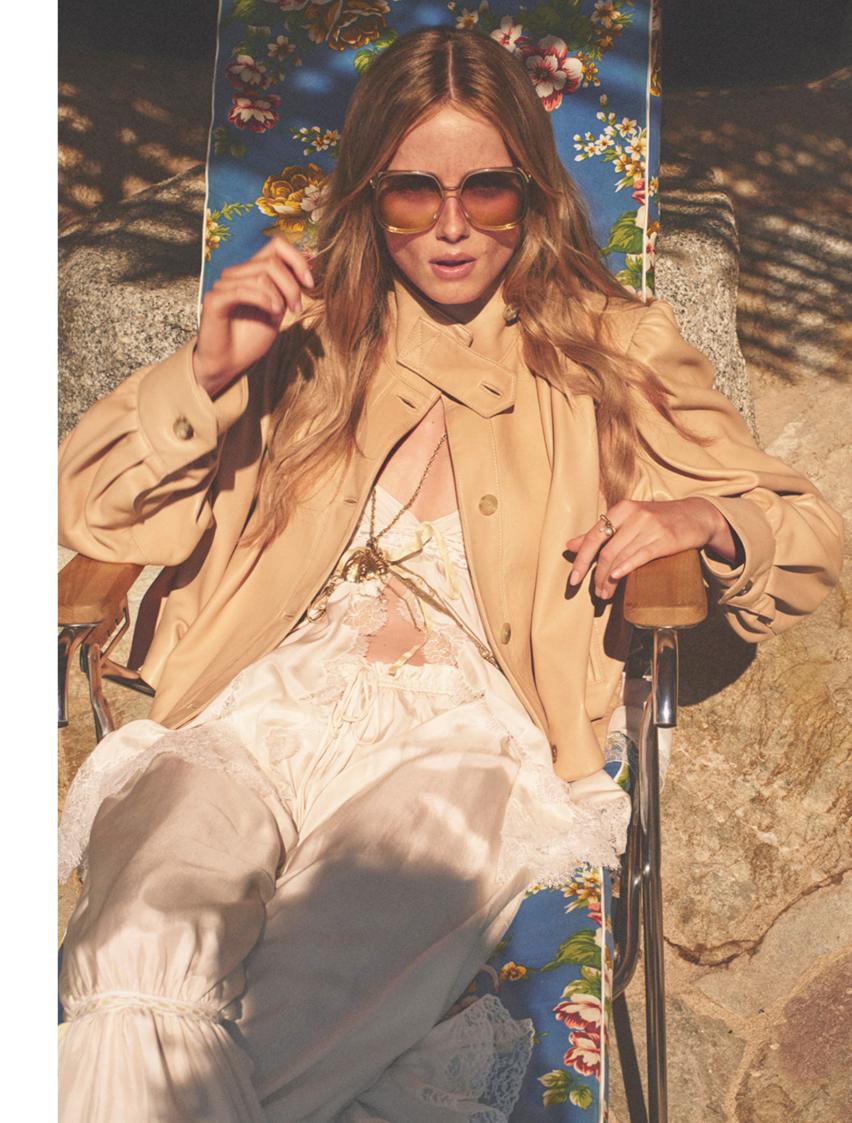
In alignment with our commitment to promoting responsible sourcing, our guidelines are updated and published annually.

AT CHLOÉ, RESPONSIBLE SOURCING ISN'T JUST A CHOICE; IT'S A COMMITMENT TO INTEGRITY, SUSTAINABILITY AND ETHICAL STEWARDSHIP, ESSENTIAL FOR UPHOLDING OUR MISSION. SHARING THESE GUIDELINES PUBLICLY REFLECTS OUR DEDICATION TO SCALING UP TRANSPARENCY AND RESPONSIBLE SUPPLY CHAINS.

Christophe Bocquet, Responsible Sourcing Director

2024 GLOBAL CARBON EMISSIONS (in tCO₂e)





RAW MATERIALS

CHLOE MAIN RAW MATERIALS

VEGETAL FIBERS	ANIMAL FIBERS	LEATHERS	SYNTHETIC FIBERS	MAN-MADE FIBERS	METAL
COTTON, LINEN, HEMP	SILK, WOOL, CASHMERE, DOWN	BOVINE, GOAT, SHEEP	POLYESTER, ELASTANE, POLYAMIDE	VISCOSE	METALLIC HARDWARE

LOWER IMPACT MATERIALS

AS 43% OF OUR CARBON FOOTPRINT COMES FROM THE RAW MATERIALS, WE HAVE BEEN FOCUSING ON INCREASING THE SHARE IN OUR COLLECTIONS OF WHAT WE CALL LOWER IMPACT MATERIALS.

DESCRIPTION

Compared with their conventional equivalent, *lower impact* materials take into account-based on facts, science-based assessments-carbon emissions, water footprint, biodiversity loss, and where applicable improvement of animal welfare. For instance, we consider that organic cotton or recycled silk are *lower impact* materials because they result in reduced impacts on the environment.

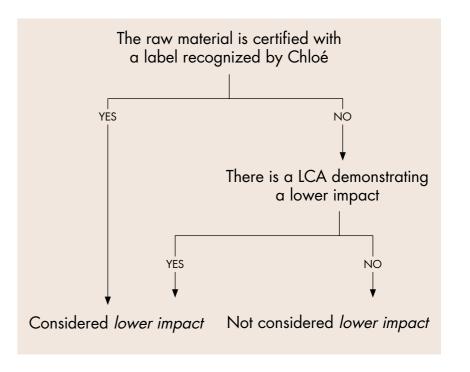
RULES TO DEFINE LOWER IMPACT MATERIAL

We consider a raw material as lower impact if:

- It is certified with a standard recognized by Chloé (full list p.6).
- And/or there is a Life Cycle Assessment (LCA) available, demonstrating a significantly lower environmental impact compared with the conventional material. The LCA is recognized as the most robust methodology in terms of environmental impact assessment, and we collaborated with external experts to carry out LCA for raw materials (more details p.19).

Notes:

- We consider Chloé's leftover material as lower impact. Leftovers are materials that are to be reused or repurposed.
- Rules for lower impact materials also apply for threads & trims.



MAIN STANDARDS WE RECOGNIZE

THE BELOW TABLE LISTS INDUSTRY SUPPLY CHAIN CERTIFICATIONS, STANDARDS OR BRANDS
THAT ARE RECOGNIZED BY CHLOÉ. THESE STANDARDS MUST COVER CLIMATE CHANGE MITIGATION,
PROTECTION OF BIODIVERSITY, ANIMAL WELFARE, WATER FOOTPRINT AND SOCIAL IMPACT.
THIS LIST IS NON-EXHAUSTIVE AND WILL BE REGULARLY UPDATED.



The Global Organic Textile Standard (GOTS) is a globally recognized certification that sets stringent criteria for the entire textile supply chain, from harvesting of the raw materials to environmentally and socially responsible manufacturing. It ensures the organic status of textiles, providing consumers with a reliable assurance of quality and sustainability.



The Responsible Wool Standard (RWS) is a voluntary global standard that ensures the welfare of sheep and the health of the land they graze on. It certifies wool from farms that demonstrate a commitment to progressive land management practices, holistic animal welfare, and adherence to the Five Freedoms of animal welfare.



The Organic Content Standard 100 (OCS 100) is a voluntary, international standard that verifies the presence and amount of organic material in a final product. It ensures traceability from the source to the final product through third-party certification of organic input and chain of custody, supporting the growth of organic agriculture.



ZQ is a merino wool certification, setting high standards for fiber quality, animal welfare as well as environment and social responsibility.



Global Recycled Standard (GRS) is an international, full product standard that verifies the recycled content of products and responsible social, environmental and chemical practices in their production. The goal of the certification is to increase the use of recycled materials in products.



The Leather Working Group (LWG) is an organization whose members are stakeholders, right from tanneries to retailers, in the leather supply chain. The LWG has audit protocols to certify the environmental compliance of its leather manufacturing members. Chloé recognize the bronze, silver or gold medals.



Recycled Claim Standard 100 (RCS100) is used to certify any product containing 95–100% recycled content, without certifying the raw material. It is a voluntary third party certification, and it does not address social or environmental issues—it simply ensures transparency from the recycling stage the final selling of the product.



Cradle-to-Cradle is a private certification, assessing the safety, circularity and responsibility of materials and products across five categories of sustainability performance: material health, product circularity, clear air & climate protection, water & soil stewardship and social fairness.

CHLOÉ LIST OF LOWER IMPACT RAW MATERIALS

	MAIN RAW MATERIALS	LOWER IMPACT MATERIALS	JUSTIFICATIONS OF LOWER IMPACT
VEGETAL FIBERS		Recycled cotton	Certified (GRS, RCS100) & LCA
	Cotton	Organic cotton	Certified (GOTS, OCS100) & LCA
		Recycled linen	Certified (GRS, RCS100)
	Linen	European linen	LCA
		Organic linen	Certified (GOTS, OCS100)
		Recycled hemp	Certified (GRS, RCS100)
	Hemp	Organic hemp	Certified (GOTS, OCS100)
		Marmara™ hemp	LCA available
		Recycled cashmere	Certified (GRS, RCS100)
	Cashmere	Re. Verso [™]	LCA available
	Silk	Recycled silk	Certified (GRS, RCS100)
	SIIK	Organic silk	Certified (GOTS, OCS100) & LCA
ANIIAAAL FIDEDO		Recycled wool	Certified (GRS, RCS100)
animal fibers	\ \ \ \ /	Organic wool	Certified (GOTS, OCS100)
	Wool	Certified wool	Certified (RWS, ZQ regenerative wool)
		Manteco wool	LCA
		Recycled down	Certified (GRS, RCS100)
	Down	Certified down	Certified (RDS)
	Leather	From certified tannery	Certified LWG (Bronze, Silver, Gold) & LCA
LEATHER/OTHERS	Others	Plant-based, plastic free and recyclable from Mirum	LCA
	El .	Recycled elastane	Certified (GRS, RCS100)
	Elastane	Creora® regen spandex	LCA
CVA ITI IETIC FIDEDC	Polyester	Recycled polyester	Certified (GRS, RCS100) & LCA
SYNTHETIC FIBERS		Q-NOVA® Biobased certified polyester	LCA
	D-1,	Recycled polyamide	Certified (GRS, RCS100) & LCA
	Polyamide	EVO® Biobased certified polyamide	LCA
MAN-MADE FIBERS (SEE POLICY <u>P.8</u>)	Man-made fibers (viscose)	Recycled viscose, Naia Renew (Eastman)/Refibra (Lenzing)/ Circulose (Renewcell)	Certified (GRS, RCS100) & LCA
		Others: Birla Cellulose/Ecovero viscose (Lenzing), Naia (Eastman), Sodra Oncemore/Lyocell /Tencel	LCA

OTHER RULES FOR RAW MATERIALS

LEATHERS

- Since 2022, all suppliers are required to source 100% of their bovine hides exclusively from animals born, raised, and slaughtered in Europe.
- The leathers we source must meet with the Chloé's animal welfare approach (page 11). We have prohibited the leathers which do not meet with it:
 - Pork leather
 - Kangaroo Leather

ARTIFICIAL FIBERS

- Viscose is a man-made cellulosic fiber coming from a natural raw material: wood pulp.
- The conventional viscose we source must come from sustainably managed forests (FSC® certified).
- We prefer the sourcing of lower impact viscose, which means either using recycled materials or produced with a lower impact manufacturing process, reducing the consumption of water and chemicals (full list p.7).

METALLIC PIECES

- We recommend options for the galvanic process that require less water, energy and chemical consumption.
- We prefer recycled metallic materials, for instance recycled zamack or tin.
- For any questions regarding gold and silver traceability, we always refer to the Responsible Jewellery Council.

ANIMAL FIBERS

The animal fibers we source must meet with Chloé's animal welfare approach (p.11).

We have prohibited the following materials and farming practices which do not meet with it:

- Fur & angora (rabbit), camel hair
- Yak wool
- Virgin down feathers
- Live plucking and force feeding

Chloé uses Shearling from sheepskin and lambskin that are being raised for the meat and dairy industry.

SYNTHETIC FIBERS

• We have banned the use of PVC because of lack of industrial solution to recycle it.

OTHER BEST PRACTICES

• We take into account raw materials' end of life in order to avoid microplastic pollution for instance. This is why we encourage the use of natural materials rather than synthetic ones in our collections in order to gradually eliminate synthetic fibers.

LOWER IMPACT PRODUCTS

CHLOÉ HAS COMMITTED TO REACH MORE THAN 90% *LOWER IMPACT* PRODUCTS BY 2025.

FOR A PRODUCT TO BE CONSIDERED AS *LOWER IMPACT*, IT MUST FOLLOW SPECIFIC RULES DEPENDING ON ITS CATEGORY.

RULES TO QUALIFY PRODUCT AS LOWER IMPACT

READY-TO-WEAR & LEATHER GOODS



A Ready-to-wear or Leather good product is considered *lower impact* if its main material (above 80% of the product weight) is *lower impact*.

Note: If a product is composed of 2 or more main materials, all the materials have to be *lower impact* for the product to be considered *lower impact*.

SHOES



Shoes are composed of two parts:

A = upper/lining

B = sole

Both parts can be considered *lower impact*. We consider the shoes as *lower impact* if 50% of its total weight (A+B) is composed of lower impact material(s).

FULLY TRACEABLE MATERIALS & PRODUCTS

CHLOÉ HAS COMMITTED TO REACH MORE THAN 15% FULLY TRACEABLE PRODUCTS BY 2025. FOR A PRODUCT TO BE CONSIDERED AS FULLY TRACEABLE, IT MUST FOLLOW SPECIFIC RULES DEPENDING ON ITS CATEGORY.

FULLY TRACEABLE RAW MATERIAL

A fully traceable raw material has a full known supply chain which is auditable, verifiable and constant during the production of an article. For each step of the supply chain, we require the names, addresses and precise regions (province, county, country) of the suppliers involved, including those of subcontractors.

Notes:

- For fabrics or leathers, we do not require the farmers' name. However, individual farmers may be contacted for environmental projects such as Life Cycle Assessments or regenerative agriculture studies.
- A raw material cannot be qualified as *fully traceable* if there is a trader or intermediary involved. For instance, for leather, we require a direct business transaction between the slaughterhouse and the tannery.
- For blended fabrics, all raw materials must qualify as *fully traceable* for the fabric to be *fully traceable*.

FULLY TRACEABLE PRODUCT

A Ready-to-wear or Leather Goods product is considered fully traceable if its main material is *fully traceable*.

Note: All Required information and documentation are saved under transactional form: purchase orders, delivery bills, blockchain certificates... We can also request Transaction Certificates which may be saved in our product data base.

CHLOÉ'S ANIMAL WELFARE APPROACH

AS WE CARE FOR THE WELFARE OF THE ANIMALS ON WHICH WE DEPEND, WE HAVE STRUCTURED OUR APPROACH ON ANIMAL WELFARE AROUND 4 PILLARS.

1 RULES

The following criteria must be met for any animal-based material used in our collections:

- The material must not be included on Chloé's list of prohibited materials (refer to p.8).
- The material must not originate from a species classified as Near Threatened or above on the IUCN Red List.
- The material must be a by-product of another industry, such as the meat and dairy industry.

2 RESPONSIBLE SOURCING

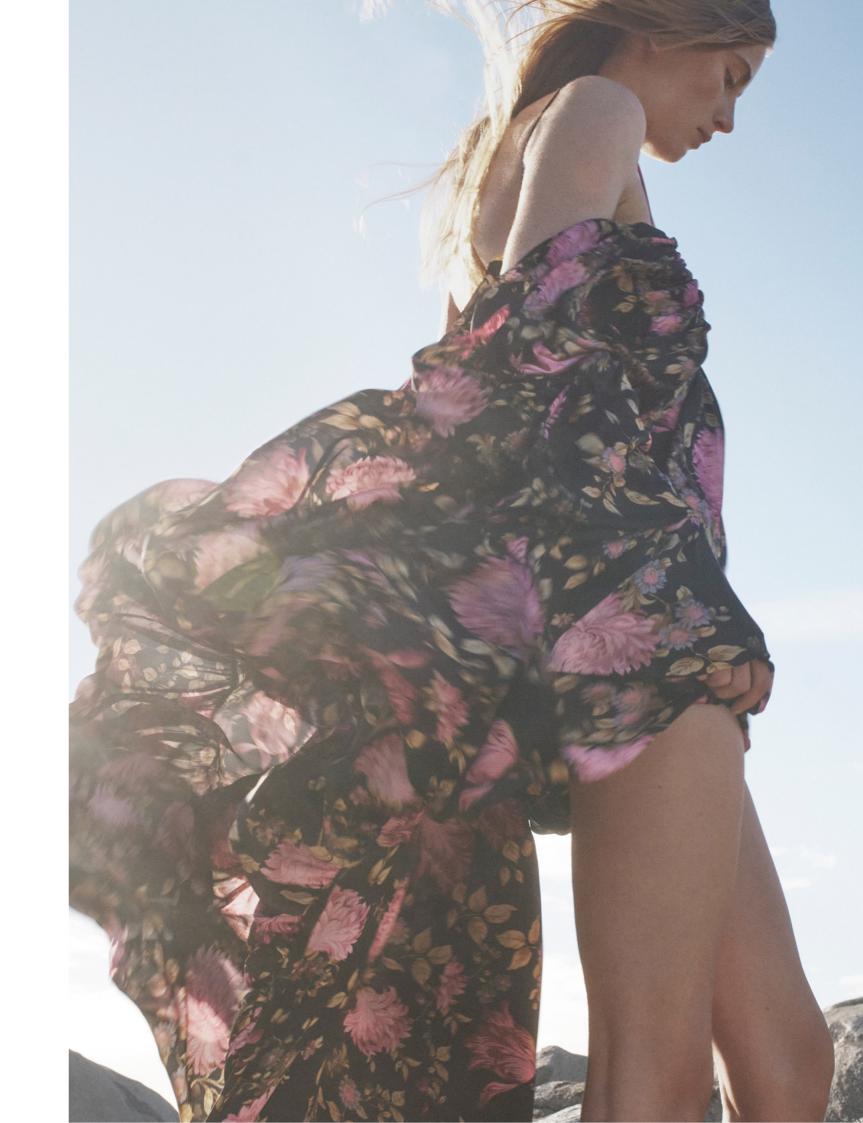
- Improve traceability to ensure our sourcing policies are respected, to identify levers of improvement and to build relationships within our supply chain.
- Develop the use of recycled animalbased materials and when sourcing virgin materials, select those with social and environmental attributes that include traceability and animal welfare standards when available.
- Follow the Five Freedoms (freedom from hunger and thirst; freedom from discomfort; freedom from pain, injury or disease; freedom to express normal behavior; freedom from fear and distress) throughout our supply chain, in line with the Richemont code of conduct signed by all our suppliers.

3 INNOVATION

• Research innovative materials and textiles that offer alternatives to our traditional leather-based products.

4 COLLABORATION

- Build a collaborative approach to animal welfare, as we acknowledge our limits to address this topic in a transformative way alone, considering the complexity of supply chains.
- Join initiatives to improve animal welfare, within and outside our sector.
- Discuss with innovative brands and suppliers, to learn from them, and develop materials or products more respectful of animal welfare
- Seek the support and guidance of NGOs to develop our knowledge.



MANUFACTURING

PREREQUISITE GUIDELINES FOR SUPPLY CHAIN PARTNERS

WE BELIEVE THAT A PARTNERSHIP-BASED APPROACH IS THE KEY TO ACHIEVE AMBITIOUS CHANGES THAT WILL CONTRIBUTE TO LOWERING FASHION INDUSTRY IMPACTS. WHICH IS WHY WE PUBLISHED A NON-EXHAUSTIVE LIST OF OUR GUIDELINES MADE FOR OUR SUPPLIERS REGARDING SUSTAINABILITY, AVAILABLE ON CHLOE.COM.

REQUESTED COMMITMENTS

We demand our suppliers to sign and complete the below documents

- 1. Richemont Code of Conduct is signed (available at this link in English, and other languages)
 - 2. SCCC (Supplier Chemical Compliance Commitment) to be signed once
 - 3. PRSL (Product Restricted Substances List) has been reviewed and signed (needs to be reviewed every year) (available at this link)
 - 4. IRF (Information Request Form) Facility profile
 - 5. Unilateral Non-Disclosure Agreement (mutual NDA is available)
- 6. Letter of Engagement for Bovine Leather For tanneries only, related to our rule to source only European bovine skins.

Note: Our commitment to traceability implies that suppliers are also required to comply with these documents.

SOCIAL AUDITS POLICY

Prior to any business relationship, Chloé starts an evaluation based on audits done for other clients (as long as they comply with Ethical Trade Initiative guidelines), on-site visits or other documents.

Following that, Chloé can conduct at any time its own social audit using SMETA specifications, with the support of SGS, ELEVATE or Bureau Veritas. These audits are financed by Chloé SAS, and will happen regularly based on suppliers' social audit results. In some cases, follow up audits and action plans will be needed between 3 to 6 months after the initial audits.

Additionally, Chloé strongly recommends all its suppliers to join the SEDEX platform.

SOCIAL SOURCING FRAMEWORK

CHLOÉ HAS COMMITTED TO REACH MORE THAN 30% PRODUCTS MADE WITH SOCIAL IMPACT REQUIREMENTS IN THE READY-TO-WEAR ASSORTMENT BY 2025.

At Chloé, we consider that products that have been produced by socially responsible manufacturers, support economic inclusion and reduce social inequalities. To identify such manufacturers, Chloé recognizes a certification, built a Social Sourcing framework and work with social entities:

1 Manufacturer certified as World Fair Trade Organization (WFTO) guaranteed member:

The WFTO is a global membership organization of social enterprises fully practicing Fair Trade. Its Guarantee System is the only international verification model focused on social enterprises that put the interests of workers, farmers and artisans first. Social enterprises reinvest a significant part of their profits in their social mission. We have been working with the WFTO since 2020.

2 Manufacturer following our Chloé Social sourcing framework:

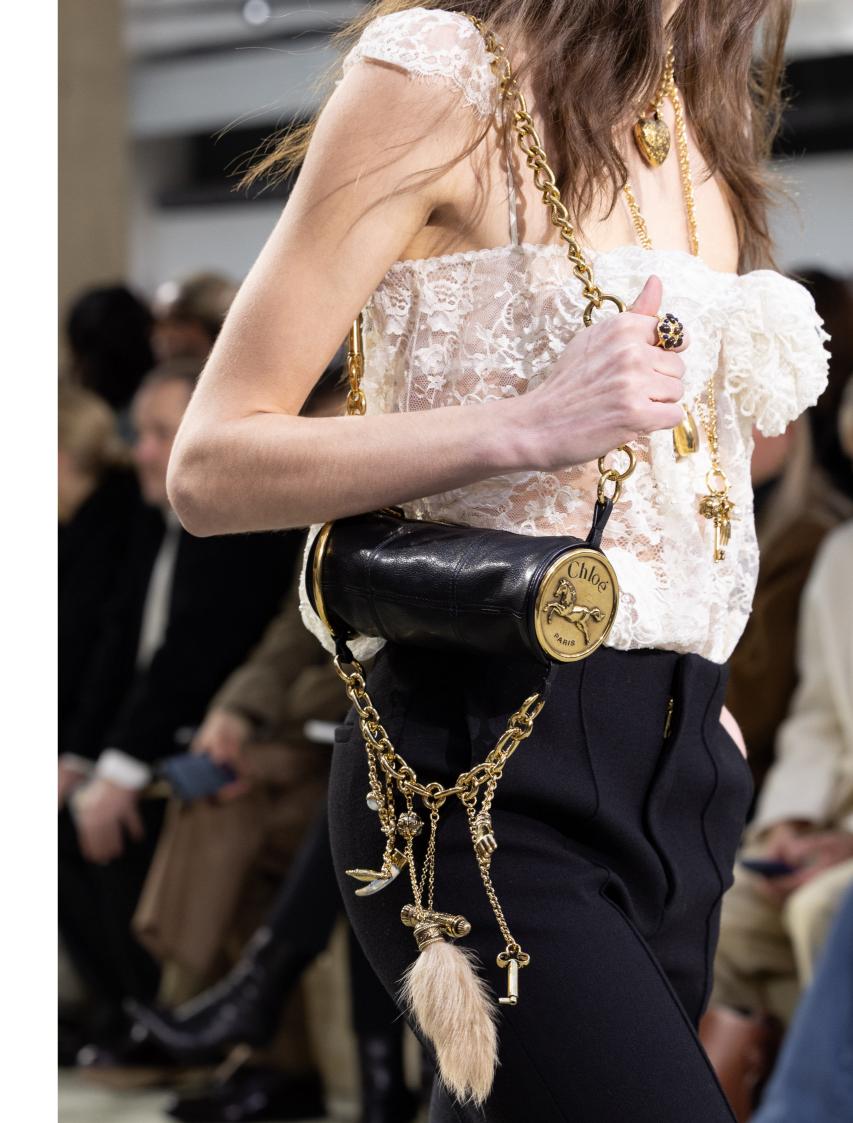
This contract qualifies the responsible business relationships Chloé has with some of its suppliers. Eligibility is based on a SMETA audit, the achievement of an S P&L assessment (Methodology Note & User Guide here) and the Living Wage evaluation by Fair Wage Network. Also, seven additional addendums gives rights and duties to Chloé and its supplier in order to encourage and support impactful projects (environmental and social).

3 Social entities:

Social entities designate a set of organizations which can be companies, cooperatives, mutual societies, association or foundations which place people at the centre of their activity and whose social impact is a prerogative in their missions. They can reinvest part of their profit for the benefit of social projects but can also be non-profit organizations and their governance must be democratic and participatory. We follow an integration process to qualify an organization as "Social Entity".

RULE

For a product to be considered as part of our social sourcing approach, it must have been produced either by a WFTO guaranteed member, a social entity or a company complying with our social sourcing Framework



PACKAGING

PACKAGING REQUIREMENTS

CHLOÉ HAS COMMITTED TO REDUCE BY 30% ITS BTOC PACKAGING AND LOGISTIC WEIGHT BY 2025 (COMPARED TO 2021).

Packaging refers to materials used all along the product life cycle for packing and tagging. There are three types of packaging: primary, secondary and tertiary. They each have two uses: Business to Business (BtoB) and Business to Customer (BtoC).

- <u>BtoB:</u> packaging used from our manufacturers to warehouses and stores. It includes cardboard, transport boxes, polybags, hangers, protective items and logistic packaging.
- <u>BtoC:</u> packaging used for our customers. It includes primary packaging such as shoes boxes and dust bags, and secondary packaging such as shopping bags, gift boxes or silk paper.

To reduce our packaging and logistic weight, Chloé follows the 7 Rs of sustainability framework applied to Packaging principles (Rethink, Refuse, Reduce, Repurpose, Reuse, Recycle, Rot).*

		OUR MAIN OBJECTIVES BY 2025, VS 2021
RETHINK	Rethink whether there is more a sustainable packaging option.	100% of our packaging integrate recycled content (a minima 50% for textile and 85% for other materials)
REFUSE	Refuse by discontinuing the production of or by using certain components.	 Not using virgin plastic and PVC Packaging. Avoiding colored paper packaging, trims such as magnet, limiting inks and prefer waster-based inks.
REDUCE	Where you cannot avoid, reduce.	Reducing by 30% BtoC packaging and logistic waste, versus 2021.
REPURPOSE	Repurpose is about transforming materials into something useful or lower impactful.	Complying with certifications required: FSC Mix, FSC 100%, GRS, GOTS, OCS100.
REUSE	The longer a product is used, the less of an environmental impact it has.	Launching a pilot scheme for the collection and reuse of one of our BtoB packaging products.
RECYCLE	Material recycling that keeps materials at their highest value.	- Ensuring logistic packaging are sorted and recycled in our warehouses and Boutiques - Preferring mono material solutions and avoiding mixing paper with other materials.
ROT	Composting is the last solution when no better solution exits, such as for polybag.	Sourcing plastic with bio-based content and with required certifications.

^{*} Source: The 7 Rs sustainable packaging framework: Systematic review of sustainable packaging solutions in the apparel and footwear industry—ScienceDirect

MAIN PACKAGING USED

TO ILLUSTRATE OUR PACKAGING COMMITMENTS, THERE ARE SOME KEY EXAMPLES BELOW OF MAIN PACKAGING USED AT CHLOÉ MAISON, WITH THEIR USAGE AND REQUIREMENTS.

BtoC



BtoB



BtoC



MAIN MATERIAL

Paper and cardboard certified FSC Mix 70%, including 50% post consumer waste for paper and 74% cardboard recycled.

HANDLES

100% recycled content Cotton certified GRS

OTHER

No plastic lamination

END-OF-LIFE MANAGEMENT

100% recyclable

MAIN MATERIAL

83% recycled content Paper certified FSC Recycled

HOOK

Metal conventional

OTHER

Wood certified FSC

END-OF-LIFE MANAGEMENT

Hanger can be disassembled and each component are 100% recyclable

MAIN MATERIAL

100% recycled content Cotton certified GRS

CORD

Cotton conventional

OTHER

No plastic lamination

END-OF-LIFE MANAGEMENT

100% reusable and 100% recyclable



APPENDIXES

APPENDIX 1 LIFE CYCLE ASSESSMENTS

THE BELOW TABLE LISTS THE RAW MATERIALS CONSIDERED BY CHLOÉ AS *LOWER IMPACT*BECAUSE OF AN LCA DEMONSTRATING A POSSIBLE AND/OR SIGNIFICANT LOWER ENVIRONMENTAL IMPACT.
THIS LIST WAS ESTABLISHED BASED ON CHLOÉ EXPERTISE AND THE COLLABORATION WITH EXTERNAL EXPERTS
SUCH AS QUANTIS AND EVEA CONSEIL.

	MATERIALS CONSIDERED LOWER	TYPES OF LCA*	NOTES OF LCA RESULTS	DATE	SOURCE
NATURAL VEGETAL FIBERS	Organic cotton	Full LCA, ISO compliant	Lower impact material for most of the environmental indicators except for water use.	2019	<u>Here</u>
	Recycled cotton	Full LCA	Recycled cotton is lower impact if a mechanical recycling process is used.	2016	<u>Here</u>
	European linen	Internal data from WALDB			
	French linen (from Vertical project)	Full LCA, ISO compliant	LCA conducted by Chloé for the Vertical project.	2022	
	Marmara hemp	Screening LCA	Only results of the LCA are available.		
NATURAL ANIMAL FIBERS	Organic silk (from Vertical project)	Full LCA, ISO compliant	LCA conducted by Chloé for the Vertical project.	2022	
	Wool (from Vertical project)	Full LCA, ISO compliant	LCA conducted by Chloé for the Vertical project	2022	
	Recycled wool	Full LCA, ISO compliant		2022	<u>Here</u>
	Recycled wool (Manteco MWool)	Full LCA, ISO compliant		2022	<u>Here</u>
LEATHER	LWG certified leather	Full LCA, ISO compliant	LCA conducted by Richemont.	2023	
	French calf (from Vertical project)	Full LCA, ISO compliant	LCA conducted by Chloé for the Vertical project.	2022	
OTHER MATERIALS	Plant-based material Mirum	Full LCA	Non-public LCA conducted by Richemont.	2021	
ARTIFICIAL FIBERS	Viscose made from recycled pulp originating from clothing inputs	Full LCA, ISO compliant		2017	<u>Here</u>
SYNTHETIC FIBERS	Recycled polyester	Internal data from WALDB			

^{*} Types of LCA:

⁻ Full LCA, ISO compliant: LCA conducted and reviewed by an external third-party to meet with ISO 14040 standard.

⁻ Full LCA: provides a general good understanding of the environmental impacts of a product but there is no external critical review.

⁻ Internal data from WALDB: the —World Apparel and Footwear Life Cycle Assessment Database founded by Quantis delivers robust data for environmental impact assessment.

⁻ Screening LCA: a quick assessment of the environmental impacts. Considered as lower impact by Chloé, taking into consideration a level of uncertainty because data are neither public nor verified by an external reviewer.

APPENDIX 2 UPDATE RECORD

DOCUMENT NAME	VERSION	PUBLICATION	ADITIONNAL CONTENT
Attributes for lower impact materials	1	March 2021	 Lower impact attributes and rules for raw materials and products List of lower impact raw materials List of recognized certifications
Attributes for lower impact materials	2	May 2022	 Extended rules for lower impact materials Extended assessment of recognized certifications Section for Life Cycle Assessments on raw materials
Sustainability Strategy—Guidelines for Sourcing	3	April 2023	 Dedicated sections for lower impact materials and products New rule for ban of virgin down feathers Rules for fully traceable and vertical products Section for fair trade & social impact framework Section for animal welfare policy Section for packaging requirements Minor updates of content and graphic standards
Sustainability Strategy—Guidelines for Sourcing	4	June 2024	 Section Raw materials with updated content and new rules for lower impact viscose Section Social Sourcing renamed "manufacturing" and updated with new framework and added page for supply chain guidelines Removal of RDS as authorized certification. Page "animal welfare policy" moved into section Raw materials Section Packaging updated with "7'Rs of packaging pathway" and new page for main packaging used Additional LCA listed in appendixes Minor updates of content and graphic standards
Sustainability Strategy-Guidelines for Sourcing	5	June 2025	 Section Raw Materials with updated content on animal-based materials and animal welfare approach. Section Packaging updated Section Manufacturing updated with two additional requested commitments to supply chain partners Minor updates of content and graphic standards