



2024
SUSTAINABILITY REPORT
*PIONEERING A MORE
SUSTAINABLE WORLD*

AUDEMARS PIGUET
Le Brassus

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01

INTRODUCTION

ABOUT THIS *REPORT*

Audemars Piguet's inaugural sustainability report marks an important milestone towards transparency and responsibility. It provides, for the first time, a comprehensive overview of our business, values and steps we are taking to address the environmental, social and governance challenges and opportunities that shape our present and future.

This includes a Sustainability Statement, prepared in accordance with the ESRS. Although not currently subject to mandatory reporting under the CSRD, Audemars Piguet has chosen to adopt the ESRS framework on a voluntary basis to strengthen internal processes, enhance transparency and lay the groundwork for future regulatory compliance.

Unless stated otherwise, the report covers the fiscal year from 1 January to 31 December, 2024 and applies to Audemars Piguet Holding SA and its subsidiaries.

Disclosures are based on a double materiality assessment and include both qualitative and quantitative information.

The structure imposed by the CSRD directive requires a certain level of repetition between the different sections of the report. This organisation aims to ensure the clarity, consistency, and comparability of the information disclosed.

CONTACT

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LETTER FROM *OUR CHAIRMAN*

Dear Reader,

For nearly 150 years, Audemars Piguet has nurtured generations of craftspeople in the Vallée de Joux, each building on the last to push the boundaries of *Haute Horlogerie*.

This legacy of *savoir-faire* has always been interwoven with our deep commitment to the community and the land that have supported our family-owned business. These values were at the heart of our philosophy long before the words 'sustainability' and 'green' became focal points in corporate reporting.

Building on our enduring ambitions, Audemars Piguet has increasingly embraced sustainability as an integral part of its identity. In recent years, we have established clear, achievable goals to drive meaningful progress across all facets of our operations, ensuring that our responsibility to sustainability is both practical and impactful.

This strategy has been further consolidated under the leadership of Ilaria Resta, who officially assumed the role of CEO on January 1, 2024. Since joining, she has worked closely with teams across the organisation to ensure our core values are consistently reflected in our actions.

A major milestone in 2024 was the completion of the first phase of the new Manufacture in Le Brassus, which unites the Vallée de Joux production sites under one roof. Designed to optimise employee well-being and workflow, the new site enables us to reimagine the production process with greater efficiency and sustainability in mind.

This report, which covers the fiscal year 2024, outlines some of the steps we have taken to mitigate and manage our footprint on people and planet in the long run, while generating opportunities to transmit and evolve our know-how responsibly. By communicating our progress, we hope to contribute to greater transparency and traceability within the industry. As ever, we remain steadfast in our commitment to taking a long-term approach to fostering shared value.

Alessandro Bogliolo

Chairman of the Board of Directors





02

GENERAL INFORMATION

BASIS *FOR PREPARATION*

This section presents Audemars Piguet's Sustainability Statement in accordance with the EU's Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRD).

SCOPE OF REPORTING

The report is prepared on a consolidated basis, covering all entities under Audemars Piguet Holding SA, a Swiss limited company headquartered in Le Brassus. The consolidation perimeter is aligned with our Group's financial statements, with all subsidiaries included. The report covers the period from January 1st, 2024 to December 31st, 2024.

The disclosures address material topics across the entire value chain, upstream and downstream. Whenever possible, data is based on primary sources. Where primary data is unavailable, estimates are used, particularly for the carbon footprint, following the GHG Protocol. These are explained in the relevant sections.

STRATEGIC OMISSIONS AND VOLUNTARY ALIGNMENT

As this report is voluntary, the provisions for legal omissions or phased-in disclosures under the CSRD and ESRs 1 do not apply. Nevertheless, in line with our progressive alignment approach, we disclose any limitations or non disclosed data in a transparent manner.

In some cases, data is withheld for reasons of strategic confidentiality. In other cases, data may be omitted when a high level of uncertainty prevents accurate representation. These situations are noted in the corresponding sections.

KEY METHODOLOGICAL DEVELOPMENTS

Although not published externally, we have been conducting internal sustainability reporting exercises since 2022. In 2024, we transitioned from the Global Reporting Initiative (GRI) to the European Sustainability Reporting Standards (ESRS) as our primary reporting

framework. This voluntary shift embodies our determination to go beyond compliance, aligning with leading European standards while actively shaping the future of our sustainability journey.

As part of this transition, we conducted a new double materiality assessment to define the scope and priorities of this report. The methodology followed ESRs requirements and drew on guidance from the European Financial Reporting Advisory Group (EFRAG), along with internal principles established during previous reporting cycles.

We also expanded the scope of our greenhouse gas (GHG) emissions inventory to better reflect the impact of our activities across the value chain. This refinement aims to provide a more comprehensive and accurate representation of our carbon footprint.

We use the following standard time horizons in this report: short term refers to up to 1 year, medium term to 1 to 5 years, and long term to more than 5 years.

No restatements or corrections to prior data were made, as this is our first report prepared under the ESRs framework.

OTHER REFERENCE FRAMEWORKS

In addition to the ESRs, the report also refers to other sustainability-related frameworks and obligations. These include the submission of science-based targets for validation under the Science Based Targets initiative (SBTi), and compliance with Swiss due diligence and transparency obligations as required under Article 964j-I of the Swiss Code of Obligations and the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour.



ABOUT *AUDEMARS PIGUET*

OUR HISTORY

Rooted in the village of Le Brassus, the story of Audemars Piguet is inseparable from the evolution of *Haute Horlogerie* in the Vallée de Joux, now recognised as one of the cradles of fine Swiss watchmaking. Rich in natural resources such as iron ore, the region has long nurtured generations of skilled metalworkers whose expertise has been refined and passed down over centuries. By the late 18th century, a close-knit network of family artisans had emerged. During the long winter months, local farmers began transforming the sunlit upper rooms of their homes into small workshops, producing increasingly specialised watch components in response to growing market demand. Recognising the opportunity to harness this unique ecosystem, Jules Louis Audemars and Edward Auguste Piguet—fourth- and fifth-generation

watchmakers—joined forces to coordinate the manufacturing, assembly and distribution of timepieces. Through their collaborative network of craftsmen, known as *établissage*, they laid the foundations of the brand as it exists today.

Nearly 150 years later, we continue to call Le Brassus home, and proudly remain the oldest fine watchmaking manufacturer still owned by its founding families. Staying true to our heritage, we continue to work hand in hand with local manufacturers, blending ancestral craftsmanship with cutting-edge technology to create value for our clients, employees, and society or communities worldwide.

OUR PURPOSE

Together, we foster human talent to create the extraordinary

AP

OUR AMBITION

Be the watchmakers of tomorrow, pioneering a more sustainable world

OUR BRAND VALUES

Forward-thinking

We think in terms of future generations, not quarterly results, and we innovate to meet and anticipate people's needs.

Uncompromising

We stick to our values and defy convention to constantly push the art of horology to its limits while keeping our traditions alive.

Free-spirited

We are a serious company, but we do not take ourselves too seriously. We believe in being part of the culture of the moment.

OUR GEOGRAPHICAL PRESENCE

Affiliates



Swiss sites



Distribution network

84

Doors



53

Boutiques



22

AP Houses



9

Corners & POS

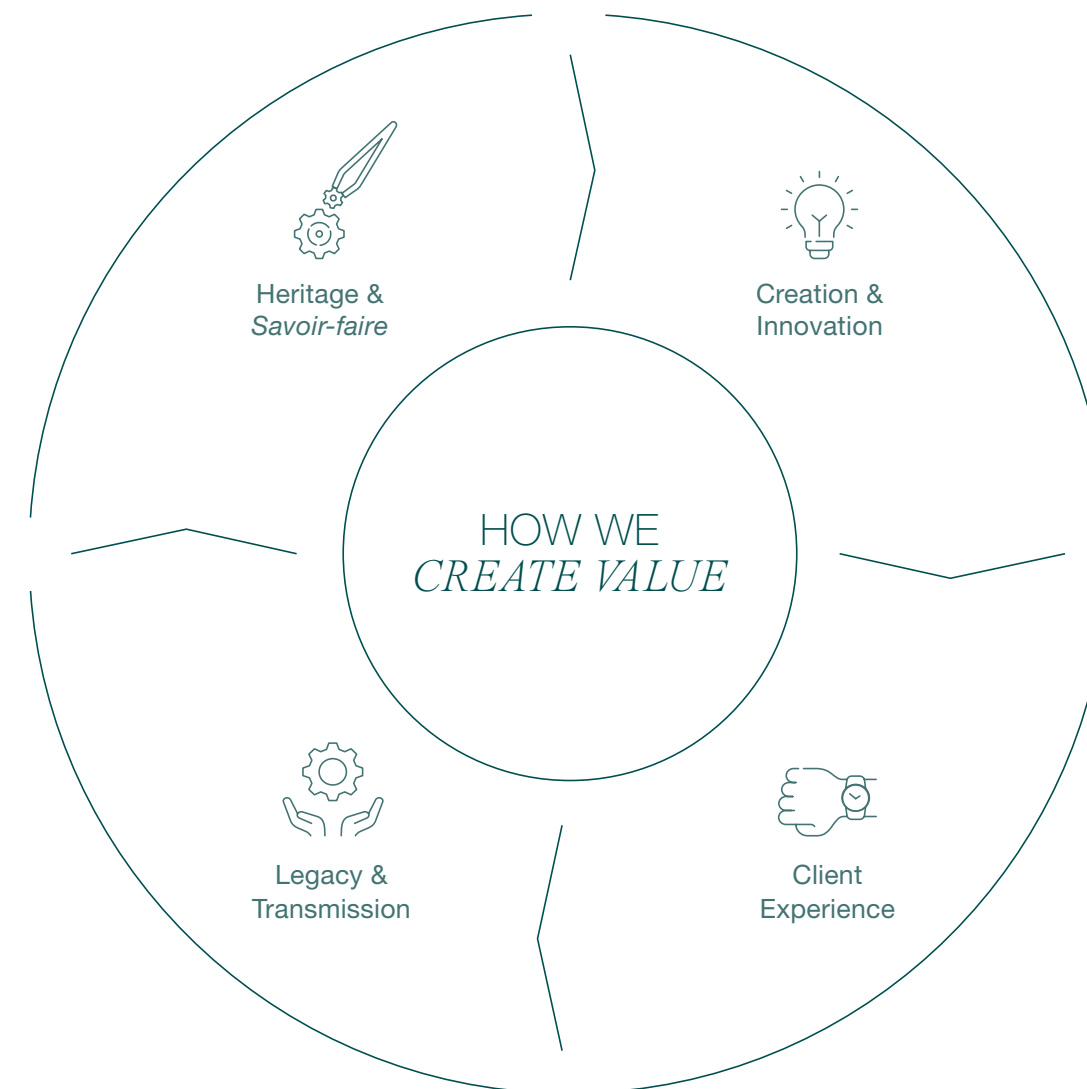
OUR ACTIVITY

Operating at the very heart of the fine luxury watch-making sector, we have been dedicated to the design, manufacturing and assembly of high-precision mechanical timepieces in Switzerland for nearly 150 years. Our creations, designed to last generations, reflect timeless craftsmanship and a naturally enduring approach to design.

Our core business revolves around a curated portfolio of mechanical watch collections, each conceived to resonate with the distinct expectations of our clientele. These collections are complemented by a range of integrated services that enhance the ownership experience — from bespoke consultations and personalisation to

meticulous after-sales care and heritage restoration. Together, they form a holistic offering rooted in excellence, precision and authenticity.

Exclusivity lies not only in the nature of our products, but also in the way they are offered. Our global presence is deliberately selective: with 84 carefully curated points of sale worldwide, we maintain a controlled distribution network that safeguards our brand integrity and ensures a consistent, high-touch client experience across markets. This strategic approach allows us to foster lasting relationships with a loyal and engaged community of watch enthusiasts, collectors and long-standing clients.



Their passion, trust and appreciation for exceptional watchmaking continue to inspire our teams and guide our innovation.

Since 2021, this long-term vision has also been enshrined in our legal statutes, which now include a commitment to making a significant positive impact on society and the environment through our business and operational activities.

Driven by a philosophy of discretion and refinement, every aspect of what we do — from product design to client interaction — reflects our long-term vision and unwavering commitment to creating lasting value.

To support our integrated and excellence-driven model, we operate three main production sites, all located in Switzerland. Our Le Brassus site oversees general production and houses the company's historic administrative offices across two distinct locations: the Manufacture

and the Headquarters, including the original 1907 building. The site also hosts the Musée Atelier Audemars Piguet, a contemporary cultural space connected to the founding family home, featuring the Grandes Complications, Métiers d'Art and Restoration workshops. The second production site, in Le Locle, is dedicated to the assembly of complicated movements, while the third, in Meyrin, specialises in the crafting of cases and bracelets.

Beyond manufacturing, we also ensure close, high-quality support through our customer service network. In addition to the service centre in Le Brassus, two main international hubs extend this care globally. The first, established in 2002 in Clearwater, Florida, serves clients across the Americas and was expanded in 2015 with a modern facility of over 1,200 m² for customer care and watchmaking training. The second, inaugurated in 2019, is based in Besançon, France — a historic watchmaking city — and operates as the Centre Européen des Services Audemars Piguet (CESAP).

GOVERNANCE

1. SUSTAINABILITY GOVERNANCE *AT AUDEMARS PIGUET*

Leaving a positive impact on the planet and society is a shared responsibility. Sustainability begins with the awareness, actions, and commitment of our collaborators. We all have a role to play in making our business and industry more sustainable today and for future generations.

Sustainability is embedded at the highest level of management to ensure that strategic decisions balance long-term impact and financial resilience. The Board of Directors is responsible for validating the ESG strategy, objectives, and related reporting.

The ESG Strategy is executed by the CEO, who works directly with a dedicated ESG team to ensure its implementation, supported by experts from different departments and an external committee, which provides independent counsel on strategic ESG topics.

1.1. BOARD OF DIRECTORS

The highest governance body overseeing sustainability matters is the Board of Directors, composed of 6 non-executive members, including two identified as independent*. With 33% female representation and members spanning Europe, Asia, and the Americas, the Board brings together diverse perspectives and a wealth of professional expertise.

Five specialised committees report to the Board and play a key role in supporting the company's strategic direction. They also contribute to the oversight of ESG-related matters and sustainability priorities:

- **The Strategic & Innovation Committee** issues recommendations on long-term strategy and innovation. It provides input on business development opportunities and contributes to shaping the company's sustainability strategy. The Committee also monitors key sustainability challenges and their integration into strategic decision-making.
- **The Human Capital, Compensation & Governance Committee** issues recommendations related to employee well-being, leadership appointments

and remuneration, equal pay, internal mobility, and expected leadership and organizational values ("AP Behaviours"). It also addresses governance issues, including the composition of Board committees and the distribution of roles.

- **The Building Committee** supervises real estate and industrial projects, which incorporate environmental goals.
- **The Audit & Finance Committee** is responsible for risk management and external audit oversight, and is gradually assuming responsibilities progressively take on responsibilities related to non-financial reporting supervision
- **The AP Private Placement Committee** oversees investments in various financial products, including those with ESG characteristics, and issues recommendations regarding long-term investment opportunities.

These committees do not have direct decision-making authority but provide recommendations to the Board of Directors, which makes the final decisions. They play a central role in preparing strategic decisions, particularly on ESG matters.

* An independent board member is a director with no material ties to the company, ensuring objective and impartial oversight.

1.2. EXECUTIVE COMMITTEE

The Executive Committee is composed of 7 members, all holding executive roles. Although it does not include employee representatives, the body demonstrates a strong commitment to gender balance, with women accounting for 43% of its members as of 31 December 2024.

Some members of the Executive Committee bring specific expertise in key ESG areas, including environmental issues (such as water, energy, and greenhouse gas emissions), human rights, the value chain, sustainable finance, and traceability. To strengthen and maintain this expertise, regular training sessions are delivered across all levels of the organization—including the Board, executives, and employees—covering topics such as anti-corruption, ethics, and regulatory compliance. Additionally, an ESG skills assessment framework

is being developed using a competency matrix, which also serves to track and align expertise in fields such as luxury, watchmaking, key geographic markets, and broader ESG challenges.

Moreover, the **ESG Taskforce** and the **Due Diligence Committee** provide strategic guidance and operational support to the Executive Committee, ensuring alignment with the highest standards of verified social and environmental performance, legal compliance, and public transparency. Moreover, the **External Stakeholder Committee** offers the Executive Committee independent expertise and diverse external perspectives. This body is composed of seven members, each appointed for a renewable one-year term.

1.3. REMUNERATION AND ESG

ESG-related performance is integrated into the incentive schemes of executive members through both annual and long-term remuneration mechanisms. In 2024, **51%** of the objectives shaping executive variable compensation were based on non-financial metrics, while **41%** of Long-Term Incentive criteria were similarly linked to non-financial performance. The ESG-related dimensions evaluated under these schemes include diversity, employee well-being, and reductions in greenhouse gas emissions. This integration reflects our commitment to aligning leadership incentives with long-term sustainability priorities.

Board of Directors

6
Non-executive members
on 31 December 2024

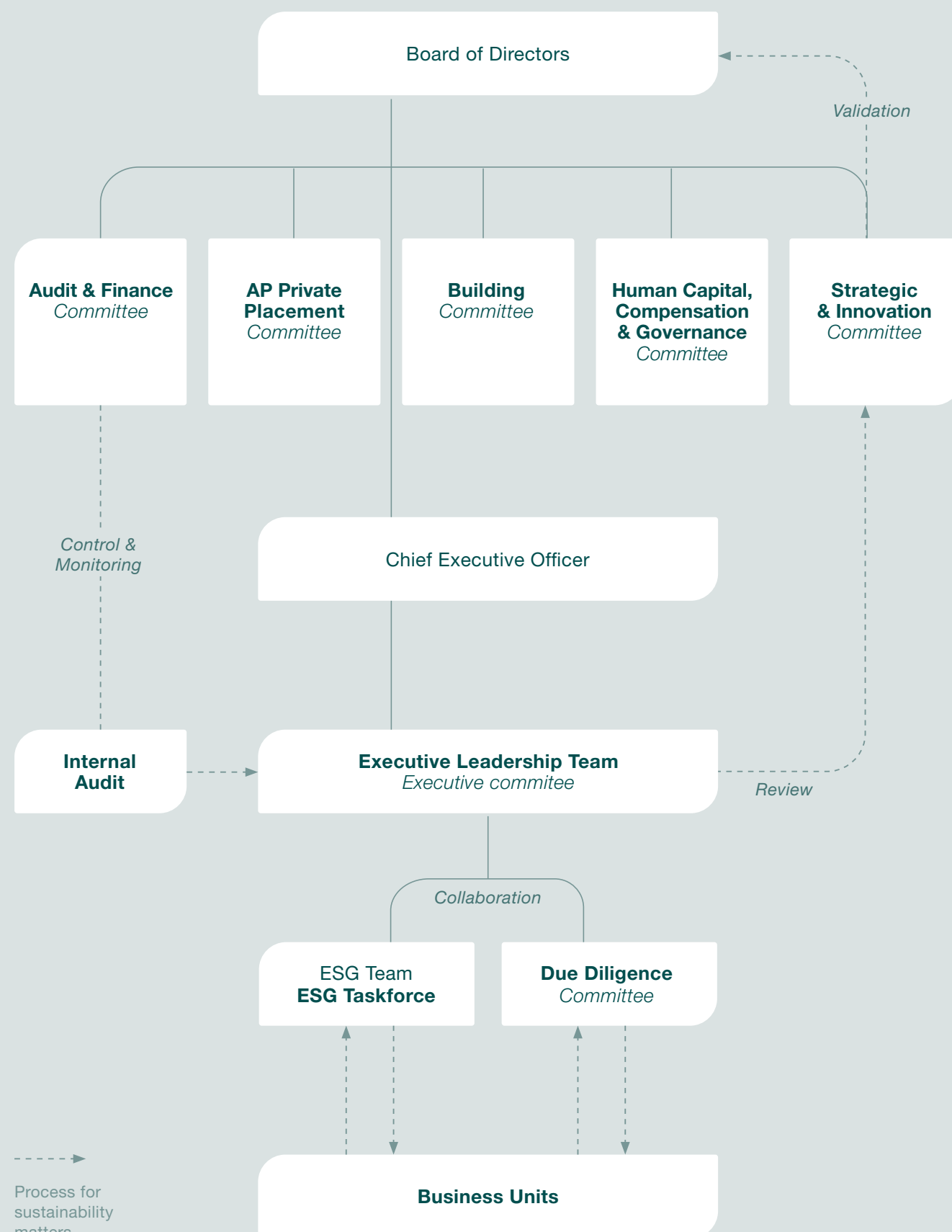
33%
Women

Executive Committee

7
Executive members

43%
Women

1.4. SUSTAINABILITY GOVERNANCE STRUCTURE



2. SUSTAINABILITY MATTERS

Sustainability is firmly embedded into our strategic governance processes, with clearly defined roles and responsibilities across the Executive Committee, the Strategic & Innovation Committee and the Board of Directors.

The Executive Committee is responsible for developing and implementing the ESG strategy. It organises an annual dedicated sustainability review and consolidates internal insights on key impacts, risks and opportunities. Throughout the year, the Committee coordinates the upward flow of ESG-related information to the governance bodies and ensures the operational follow-up of ESG action plans, targets and metrics.

The ESG strategy is drafted by the Executive Committee, reviewed by the Strategic & Innovation Committee, and submitted to the Board of Directors for formal approval. This process ensures that strategic ESG decisions benefit from both operational insights and high-level oversight.

The Board of Directors meets five times per year for two-day sessions. ESG topics are included in the agenda

whenever strategic decisions require it, particularly during key validation phases. During these sessions, the Board assesses how sustainability-related risks, opportunities, and trade-offs are integrated into the company's overall direction, risk management, and investment priorities. In 2024, two days were dedicated to the ESG strategy and long-term sustainability orientation.

Key ESG topics discussed at the governance level include strategic alignment on the ESG roadmap, integration of sustainability criteria into key projects, progress on responsible sourcing, and evolving regulatory developments.

Established as long-standing vehicles of the brand's philanthropic engagement, the Audemars Piguet Foundations contribute to ESG governance through their participation in the External Committee. In this role, they provide independent guidance, safeguard alignment with our core values, and oversee both the volunteering programme and direct donations. Their activities are subject to dedicated reporting; for more information, please consult the Audemars Piguet Foundations website.

3. RISK MANAGEMENT *AND INTERNAL CONTROLS*

4.1. RISK MANAGEMENT ACROSS THE VALUE CHAIN

Risk management is an essential component of our sustainability governance and is fully integrated into the company’s strategic and operational activities. A dedicated risk liaison group monitors both enterprise-level and ESG-related risks, ensuring consistency with evolving standards and the company’s long-term objectives.

Within the value chain, a specific focus is placed on salient human rights risks, such as child labour, inhumane or degrading treatment, and unsafe or illegal working conditions. Our risk approach combines internal stakeholder consultations, external risk analysis, and field-level intelligence to identify and prioritise the most critical areas of concern. This assessment informs targeted due

diligence activities across the supply chain, including on-site reviews, supplier engagement and corrective action plans when needed. Special attention is given to the sourcing of raw materials such as gold, diamonds, coloured gemstones, leather and wood, where we require compliance with international frameworks such as the OECD Due Diligence Guidance and the standards set by the Responsible Jewellery Council. Building long-term partnerships with our suppliers enables a continuous exchange of information and a shared responsibility for upholding high ethical standards, while also working together to monitor and reduce emissions across the value chain.

4.2. INTERNAL CONTROL FOR ESG REPORTING

We are currently formalising a structured internal control framework specifically for ESG reporting. A dedicated assessment of ESG-related reporting risks was initiated in late 2024. Key issues identified include data entry inconsistencies, incomplete documentation, and reliance on third-party data sources. These risks are being progressively incorporated into the company’s central risk mapping and will inform the design of enhanced internal controls going forward.

4.3. GOVERNANCE AND OVERSIGHT OF ESG INFORMATION

The Executive Committee oversees the validation and reliability of ESG disclosures, while the Audit & Finance Committee — which already supervises financial audit and enterprise risk — is expected to gradually assume responsibility for the internal control of sustainability information. This reflects a clear separation between operational execution and independent oversight.

4.4. CONTROL MECHANISMS

Several verification mechanisms are in place to ensure the reliability of ESG data, including cross-checks, double validation steps and internal consistency reviews. Non-financial reporting is first reviewed by the Executive Committee and then submitted to the Board of Directors for final approval. Key environmental indicators such as water consumption, energy use and GHG emissions are subject to external audit to reinforce data reliability. Issues or anomalies identified during ESG

reviews are reported to the relevant governance bodies, notably the Audit & Finance Committee, which also oversees the organisation’s whistleblowing mechanism. Reporting takes place at least annually and is supplemented by ad hoc updates when needed. Insights from these processes help strengthen internal procedures and support the continuous improvement of sustainability data management.



4. STATEMENT *ON DUE DILIGENCE*

The undertaking has established a due diligence framework that applies across its entire value chain, consistent with international standards such as the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. This approach is also aligned with relevant Swiss legislation and sector-specific standards, including the requirements of the Responsible Jewellery Council (RJC), of which the company is a member.

A dedicated Due Diligence Committee oversees the implementation and continuous improvement of the due diligence process. This committee ensures that appro-

priate measures are in place to identify, assess, prevent, and mitigate potential and actual adverse impacts linked to the company’s own operations, business relationships, and sourcing practices.

The due diligence process is structured around risk mapping, supplier audits, and targeted assessments, particularly in relation to raw materials and sensitive supply chains. These mechanisms are designed to ensure responsible sourcing and to uphold the company’s commitments to human rights, environmental protection, and business integrity throughout its value chain.

CORE ELEMENTS OF DUE DILIGENCE	PAGES
a) Embedding due diligence in governance, strategy, and business model	17,19, 28-33
b) Engaging with affected stakeholders in all key steps of due diligence	19, 24-27,34, 35, 40, 52, 53, 58, 59, 75, 76, 80, 81, 94, 95
c) Identifying and assessing adverse impacts	28-35, 74
d) Taking actions to address adverse impacts	38, 39, 40-42, 52-55, 60-66, 77
e) Tracking the effectiveness of these efforts and communicating	42, 43, 46, 47, 49, 51, 54, 55, 67-73, 77, 79, 85, 91, 93, 95

SUSTAINABILITY STRATEGY & *VALUE CHAIN*

1. PIONEERING *A MORE SUSTAINABLE WORLD*

When Jules Louis Audemars and Edward Auguste Piguet began their enduring collaboration in 1875, their vision was clear: they wanted to create high-quality mechanical timepieces that would perpetuate the traditional know-how of their ancestors despite the temptations of industrialisation. They decided to work hand in hand with the small network of artisans established in the region. By choosing craftsmanship, quality and durability over quantity and rapid progress, they placed their people, partners, clients and communities at the centre of their concerns, while paying respect to the land that made their craft possible. And so, they laid the solid foundations on which Audemars Piguet has been built over the years.

150 years on, our “3/6 Sustainability Strategy” carries forward our forefathers’ commitments by centring around

three key pillars: People & Communities, Environment and Governance. Across these pillars, we have identified six critical priorities that are essential to us and our stakeholders: Watchmaking *savoir-faire*, Inclusivity (Diversity, equity, and inclusion) and Well-Being of Local Communities for the 1st pillar; Climate Change and Raw Materials for the 2nd pillar; and Ethical Business – including human rights – for the 3rd pillar.

Always looking to the future, we will continue to ensure the long-term preservation of our shared skills, heritage, values and purpose, while nurturing our communities towards a sustainable future. By communicating our progress, we aim at contributing to greater transparency and traceability within the industry.

2. AP’S 2030 VISION *FOR SUSTAINABILITY*

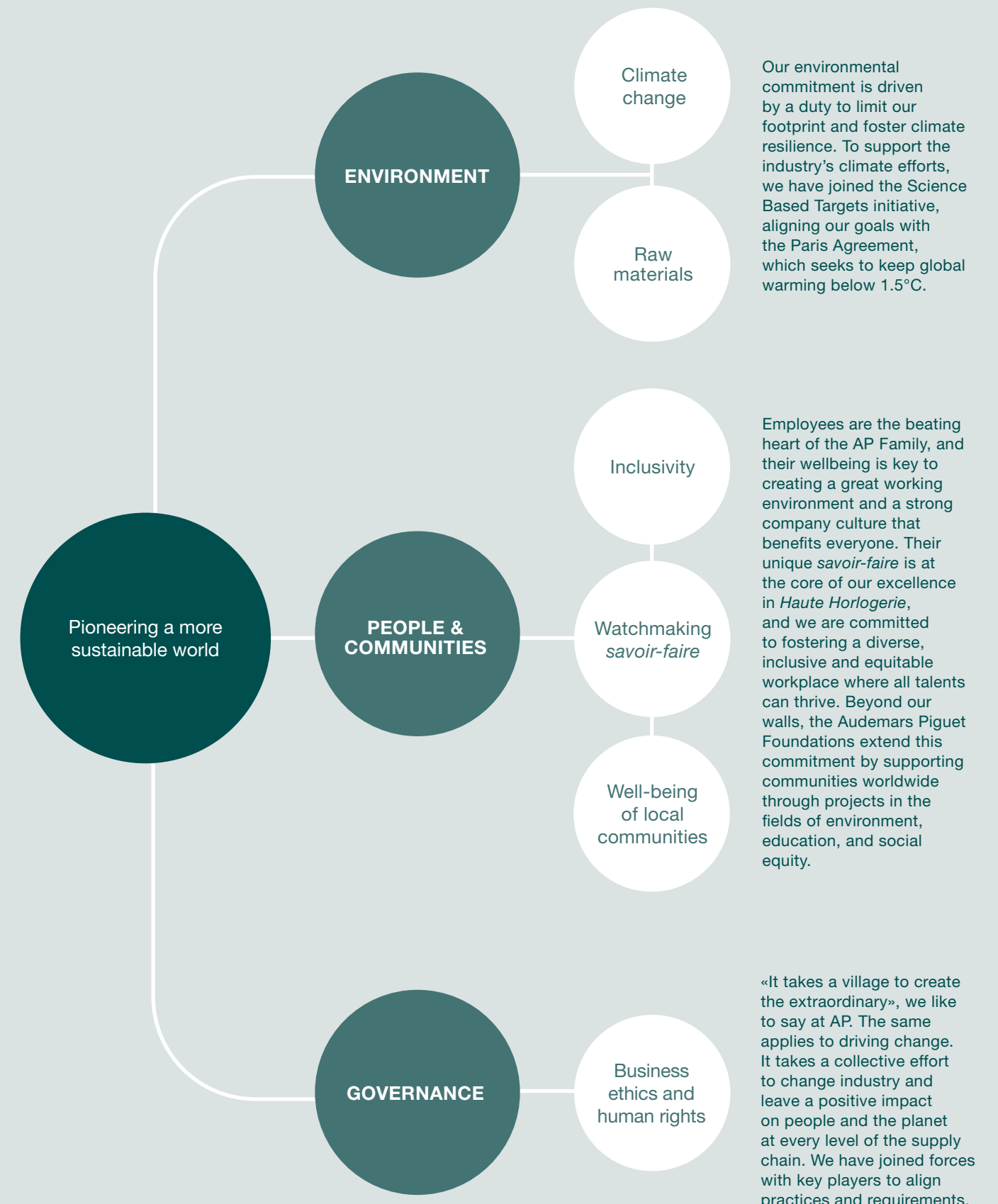
Our sustainability strategy is anchored in our ambition to preserve and transmit our watchmaking heritage while addressing today’s environmental, social and ethical challenges. We seek to maintain the highest standards of excellence and quality, while reducing our environmental footprint.

Sustainability is integrated across all aspects of our operations—from production methods and resource management to client relations and partnerships. At the heart of this approach lies a strong human dimension: long-term relationships based on trust are cultivated with clients, collaborators, suppliers and local communities alike. This includes personalised customer care,

responsible sourcing practices, and ongoing community engagement. We promote an inclusive and stimulating work environment where creativity, talent development and diversity are actively supported. Collaborators are encouraged to contribute meaningfully to Audemars Piguet’s collective success and long-term resilience.

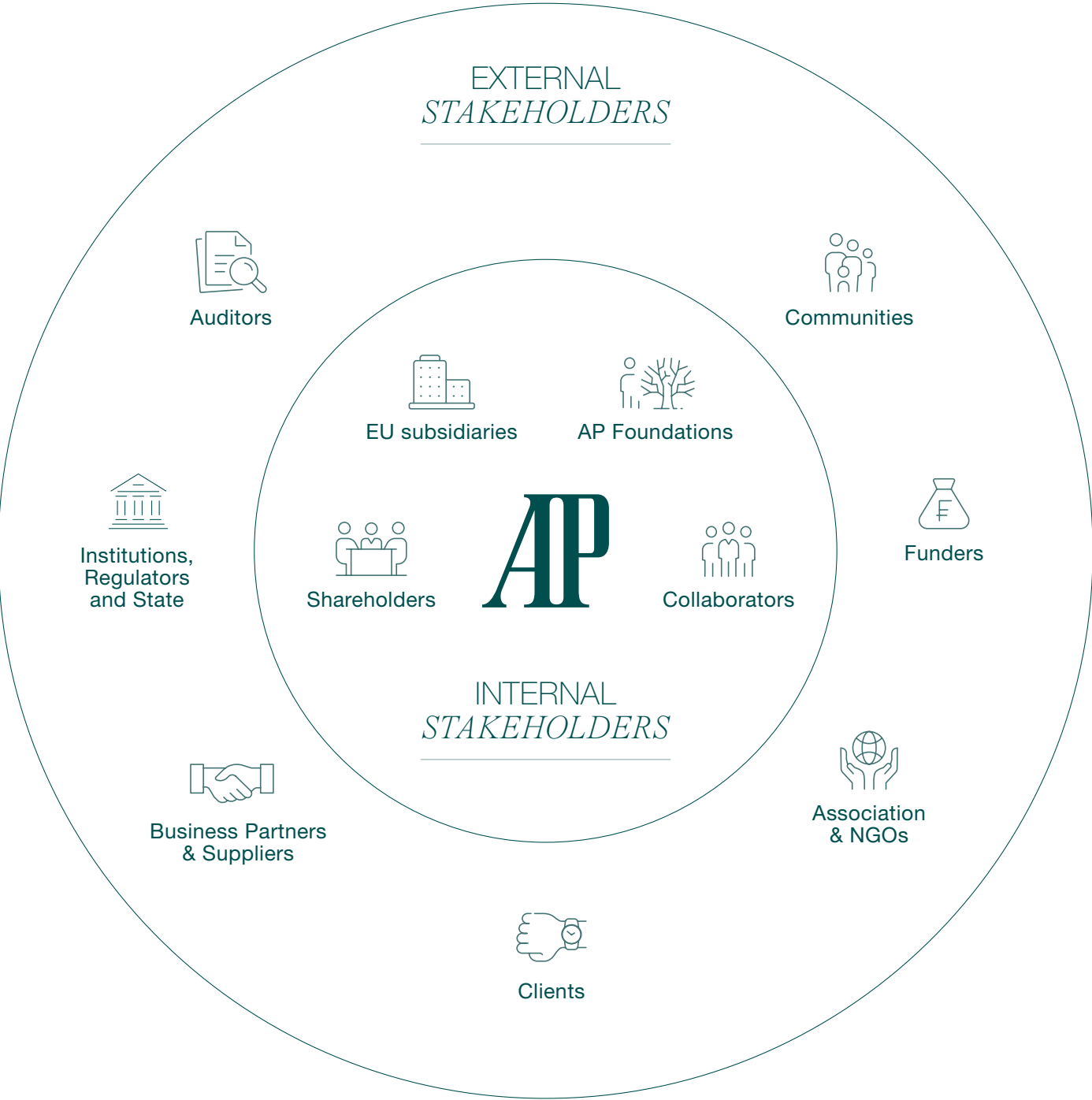
Sustainability is not treated in isolation but embedded within the broader business strategy. It informs key decisions and is supported by both executive leadership and operational teams. Long-term quality, impact reduction, talent development and business ethics are guiding principles in shaping the company’s future.

Our 3/6 Sustainability Strategy



STAKEHOLDER ENGAGEMENT

We maintain a long-standing and structured dialogue with our stakeholders, who we consider essential to shaping a forward-looking and resilient sustainability strategy. This engagement takes place at Group level and is designed to ensure coherence across all business units and geographies.



Stakeholder engagement in shaping our priorities

As part of the double materiality assessment, conducted in accordance with the AA1000 Stakeholder Engagement Standard (AA1000 SES), we held a series of qualitative interviews with internal and external stakeholders. These discussions were focused on identifying sustainability issues considered most important by each stakeholder group and helped clarify their respective expectations. This dialogue directly informed and supported the identification of key impacts, risks and opportunities across operations.

Tailored engagement for stakeholder diversity

We apply tailored engagement methods based on the nature and influence of each stakeholder category, allowing for a more accurate understanding of their interests and viewpoints. These interactions vary in format and depth, ensuring relevance and accessibility for each stakeholder group – from employees and ESG ambassadors to customers, NGOs, suppliers, and local communities. The Audemars Piguet Foundations also play a key role, acting as a bridge with communities worldwide through their long-standing commitment to environmental, educational, and social equity projects.

Deepening collaboration across the value chain

Stakeholder engagement is not limited to isolated consultations but is embedded in a broader culture of collaboration and co-construction across the value chain. We recognise the strategic importance of strengthening engagement beyond our direct operations and to deepening collaboration with upstream stakeholders, including Tier 2 and Tier 3 suppliers – such as raw material providers, component manufacturers and other sub-suppliers. A formal stakeholder engagement policy is currently being developed to structure this long-term commitment and institutionalise a more inclusive, transparent and impact-oriented approach.

Engaging with our key stakeholders

We maintain an ongoing and structured dialogue with our key stakeholders to ensure their perspectives are meaningfully considered in our decision-making processes. Engagement is adapted to the nature of each stakeholder group and may take the form of surveys, bilateral discussions, audits, workshops or partnerships. These exchanges are essential to identify sustainability priorities, inform our double materiality assessment, and continuously improve our practices across the value chain. The table below outlines how we engage with our primary stakeholders, why we do so, and some of the outcomes generated through this dialogue.

	COLLABORATORS	WORKERS IN THE VALUE CHAIN*	COMMUNITIES	CLIENTS
How engagement is organised	Internal communication platforms, dedicated HR dialogues, annual satisfaction surveys, young talents coaching programme	Direct supplier engagement, Supplier Innovation Day, ESG briefings, Responsible Jewellery Council (RJC) certification process, third-party audits	Participation in associations, direct dialogue with NGOs and authorities, partnerships with schools and universities, media interactions	Customer feedback via boutiques, after-sales services and online channels, social media monitoring, in-store events, client experience surveys
Purpose of engagements	Promote well-being, inclusion, professional development and a strong corporate culture; identify material issues and ESG topics for DMA	Strengthen responsible sourcing, promote ethical practices and human rights due diligence, ensure alignment on ESG expectations and regulatory awareness	Address social and environmental concerns in sourcing regions, raise awareness, support education and local development; inform DMA processes	Understand evolving expectations, enhance satisfaction and service quality, align on ethics, transparency and product sustainability
Examples of outcomes from the engagement	Launch of internal well-being initiatives, reinforcement of training offer, refinement of HR communication tools, pay equity dialogue	Inclusion of ESG clauses in contracts, reinforced traceability efforts, mapping of salient risks, update of supplier assessment processes	Co-creation of awareness campaigns on sustainability, support for local education initiatives, improved transparency in the upstream supply chain	Enhancement of after-sales experience, introduction of clearer communication materials, design inspiration from client feedback

*Workers of suppliers & business partners

DOUBLE MATERIALITY ASSESSMENT

In 2024, we carried out our first double materiality assessment. This exercise provided an opportunity to take a comprehensive view of our key environmental, social, and governance issues, considering both the impacts our business may have on people and the planet, and the ways in which sustainability-related challenges may influence our company’s development.

This assessment was conducted in line with the expectations set out in the European Sustainability Reporting Standards (ESRS) and will serve as a foundation for our future sustainability reporting and internal decision-making.

1. OUR MATERIAL TOPICS

The double materiality assessment (DMA) plays a central role in sustainability efforts, helping us identify the most relevant topics for Audemars Piguet and our stakeholders. It enables us to assess both the actual and potential impacts of our activities on people and the environment, as well as how sustainability-related issues might affect our business over time.

The DMA is a key concept for sustainability reporting under the ESRS, as it ensures that companies address both dimensions: their outward impacts and the inward financial implications of sustainability matters. By identifying the topics that represent the most significant impacts, risks or opportunities, we strengthen our ability

to make informed decisions and transparently address/report the challenges and priorities that matter most.

Double materiality considers sustainability matters through two complementary lenses:

- **Impact materiality** captures how our operations, products, and relationships may positively or negatively affect the wellbeing of individuals, the resilience of communities, and the quality of the environment;
- **Financial materiality** identifies sustainability-related risks or opportunities that may influence the company’s financial performance, access to resources, or market position.



In 2023, we conducted a materiality assessment aligned with the GRI 2021 standards. That exercise enabled us to refine our sustainability priorities and integrate them into our ESG strategy. In 2024, we applied the concept of double materiality in line with the European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD).

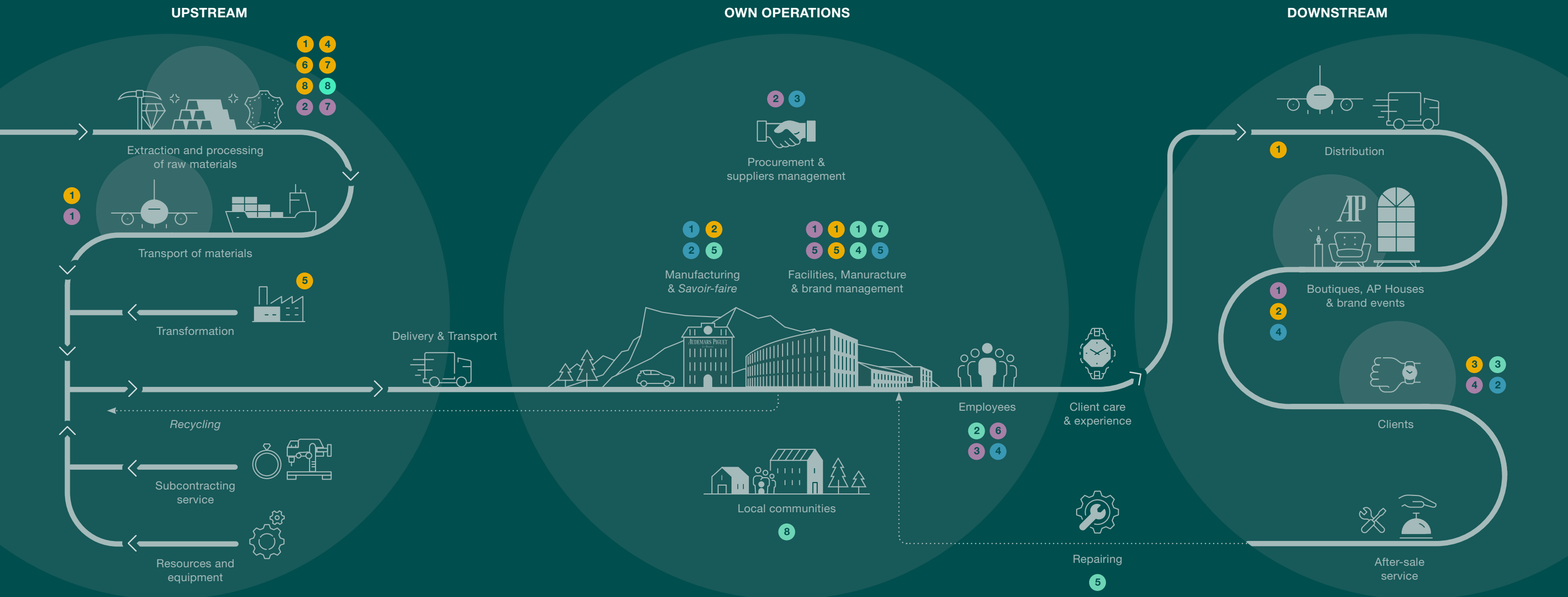
This new assessment was carried out in accordance with the methodology and expectations outlined in ESRS 1 and the EFRAG Implementation Guidance on Materiality Assessment (IG1). It served to identify and prioritise the most material topics across the ten thematic ESRS standards, as presented below.

In total, the assessment led to the identification of 28 material IROs, covering 18 distinct sustainability topics across our value chain.

The detailed list of material impacts, risks and opportunities (IROs) is presented in Section 3, while the methodology applied is described at the end of this chapter in Section 4.

ESRS	IMPACT MATERIALITY	FINANCIAL MATERIALITY
E1 Climate change	Material	Material
E2 Pollution	Non-material	Non-material
E3 Water and marine resources	Non-material	Non-material
E4 Biodiversity and ecosystems	Non-material	Non-material
E5 Resource use and circular economy	Material	Material
S1 Own workforce	Material	Material
S2 Workers in the value chain	Material	Material
S3 Affected communities	Material	Non-material
S4 Consumers and end-users	Material	Material
G1 Business conduct	Material	Material

2. MATERIAL TOPICS ALONG OUR VALUE CHAIN



Positive impacts

- | | |
|--|--|
| 1 Energy transition and efficiency (E1) | 5 Reuse of resources (E5) |
| 2 Employee well-being and flexibility (S1) | 6 Customer security and confidentiality (S4) |
| 3 Customer experience and transparency (S4) | 7 Strengthening controls against corruption (G1) |
| 4 Corporate culture, values and integrity (G1) | 8 Community relations and local impact (S3) |

Negative impacts

- | | |
|--|--|
| 1 GHG emissions from sourcing, operations and logistics (E1) | 5 Operational energy dependency (E1) |
| 2 Waste from products, packaging and events (E5) | 6 Potential issues related to working conditions in the value chain (S2) |
| 3 Client privacy and data protection (S4) | 7 Bribery exposure in upstream transactions (G1) |
| 4 Animal welfare in the leather supply chain (G1) | 8 Rights of indigenous communities (S3) |

Sustainability-related risks

- | | |
|--|--|
| 1 Climate-related physical and transition risks (E1) | 5 Energy price volatility and supply resilience (E1) |
| 2 Resource constraints and metal price volatility (E5) | 6 Economic cycles (S1) |
| 3 Employee rights and data protection risks (S1) | 7 Human rights risks in the value chain (S2) |
| 4 Cyber risks and data exposure (S4) | |

Sustainability-related opportunities

- | | |
|--|---|
| 1 Eco-design and integrated material recovery (E5) | 4 Talent retention and collaborative performance (S1) |
| 2 Valorising unique savoir-faire (S1) | 5 Embedding excellence in ethical conduct (G1) |
| 3 Supplier loyalty and supply chain strength (G1) | |

3. OVERVIEW OF OUR MATERIAL IMPACTS,
RISKS AND OPPORTUNITIES (IRO)

DESCRIPTION	TYPE OF IRO	VALUE CHAIN
E1 CLIMATE CHANGE		
Climate change mitigation		
GHG emissions from sourcing, operations & logistics: Greenhouse gas emissions arise throughout the value chain, from upstream extraction of raw materials to downstream transportation and travel. These emissions contribute to global warming and call for lower-carbon sourcing and logistics strategies across all business stages.	Actual Negative Impact	All Value Chain
Climate change adaptation		
Climate-related physical and transition risks: Climate change affects the entire value chain through physical risks, such as floods or storms impacting suppliers, production or stores, and transition risks linked to evolving regulations. Together, they require long-term adaptation strategies, investment planning and operational resilience.	Risk	All Value Chain
Energy		
Operational energy dependency: Maintaining operations across the value chain, from production to infrastructure and supplier activities, requires continuous and often energy-intensive resources. This dependency increases exposure to environmental impact and energy shortages.	Actual negative impact	Upstream & Own Operations
Energy transition and efficiency: Improving energy efficiency and shifting to renewable energy sources across our value chain supports decarbonisation while strengthening long-term operational resilience and performance.	Actual positive impact	Upstream & Own Operations
Energy price volatility and supply resilience: Fluctuations in energy prices, whether fossil-based or renewable, can affect procurement and operational costs across our value chain. These variations challenge budget stability and require robust sourcing strategies.	Risk	Upstream & Own Operations
E5 CIRCULAR ECONOMY		
Resources inflows and outflows related to products and services		
Reuse of resources: Precious materials and production scraps (e.g. gold, silver) are systematically recovered and reintroduced into the production process. This approach supports our environmental commitments and reinforces the circularity of our practices.	Actual Positive Impact	Own Operations
Resource constraints and metal price volatility: Limited access to key raw materials and unstable pricing, often driven by geopolitical or market dynamics, may disrupt procurement and production planning. These pressures require strategic sourcing and close collaboration with our upstream partners.	Risk	Upstream & Own Operations
Eco-design and integrated material recovery: Optimisation of materials by design to minimize losses and integrate metals from production scraps, thus reducing costs and improving resource efficiency.	Opportunity	Own Operations
Waste		
Waste from products, packaging & events: Accessories, packaging and event-related materials contribute to overall waste, with a significant share coming from the supply chain.	Actual Negative Impact	Complete Value Chain

DESCRIPTION	TYPE OF IRO	VALUE CHAIN
S1 OWN WORKFORCE		
Working conditions		
Work-life balance and employee well-being: Initiatives such as flexible work arrangements, ergonomic support, sports coaching, nutritional advice, and opportunities for volunteering contribute to creating a healthy and supportive working environment. These measures foster employee satisfaction, reinforce health and safety, and reflect AP's commitment to care and excellence.	Actual Positive Impact	Own Operations
Economic cycles: Job security is threatened by cyclical crises in the watch industry, linked to international economic conditions and tensions on raw materials. This can lead to significant costs related to redundancies or restructuring.	Risk	Own Operations
Talent retention and collaborative performance: Attracting the right profiles, offering long-term opportunities and fostering employee engagement help retain talent over time. A committed and collaborative workforce contributes directly to the excellence and innovation that define the Manufacture's creations.	Opportunity	Own Operations
Equal treatment and opportunities for all		
Excellence of know-how: The training courses of excellence highlight the unique know-how of the employees of Audemars Piguet and strengthen the quality and durability of the products. Diversity and innovation: The focus on diversity drives innovation and excellence, helping helping AP to maintain its leading position in the industry. Skills development: Investment in employee skills development ensures high-end expertise, which is essential to the company's competitiveness and sustainability.	Opportunity	Own Operations
Other work-related rights		
Employee rights & data protection: Breaches of human rights, labour rights or personal data protection may lead to legal, operational or reputational consequences. Ensuring strong internal safeguards and responsible management practices is essential.	Risk	Own Operations
S2 WORKERS IN THE VALUE CHAIN		
Working conditions		
Working conditions in the value chain: Due to the complexity and fragmentation of upstream supply chains, some workers may be exposed to precarious labour conditions, including limited access to social protections or occupational safety. These situations may generate potential adverse impacts on health, rights and well-being.	Potential Negative Impact	Upstream
Human rights		
Human rights risks in the value chain: Breaches of human rights, such as forced labour, lack of freedom of association or other severe abuses, may jeopardise the continuity of our operations and damage stakeholder trust. A robust due diligence approach is essential to mitigate these risks and uphold our values across the supply chain.	Risk	Upstream

DESCRIPTION	TYPE OF IRO	VALUE CHAIN
S3 AFFECTED COMMUNITIES		
Communities' rights		
Community relations and local impact: Our long-standing presence in Le Brassus, together with partnerships with local actors, contributes to the vitality of the region and strengthens trust, inclusion, and the protection of community rights. These initiatives are locally focused and help foster long-term social cohesion within the surrounding community.	Actual Positive Impact	Upstream
Rights of indigenous communities		
Rights of indigenous communities: In some sourcing regions, local populations and Indigenous communities may be affected by mining operations, particularly when land rights, cultural heritage or the right to consultation are not respected. These situations may generate potential adverse impacts on community well-being and social stability.	Potential Negative Impact	Upstream
S4 CONSUMERS AND END-USERS		
Information-related impacts of consumers and/or end-users		
Client privacy & data protection: If sensitive personal data is not adequately protected, clients may be directly exposed to risks such as identity misuse or unwanted intrusion into their private lives. These situations undermine their fundamental right to privacy and may affect the trust they place in the relationship.	Actual Negative Impact	Downstream
Customer security and confidentiality: Our approach combines physical safeguards, secure processes and employee awareness to protect clients against misuse of their data, intrusion or security breaches. These measures help preserve client confidentiality and reinforce long-term trust.	Actual Positive Impact	Downstream
Cyber risks and data exposure: The increased sophistication of cyberattacks requires constant vigilance to ensure that client data remains protected. A lack of resilience in data systems may generate serious privacy risks and legal consequences.	Risk	Downstream
Customer experience and transparency: A well-designed customer journey, clear product information, and access to services and repairs reflect our commitment to excellence, trust and long-term relationships with our clients.	Actual Positive Impact	Downstream

DESCRIPTION	TYPE OF IRO	VALUE CHAIN
G1 BUSINESS CONDUCT		
Corporate culture		
Corporate culture, values and integrity: A culture rooted in integrity and responsibility strengthens employee engagement, encourages collaboration and supports the fulfilment of strategic goals. These principles guide decision-making and shape the way we work together every day.	Actual Positive Impact	Own Operations
Animal welfare		
Animal welfare in the leather supply chain: A lack of visibility into slaughterhouse practices or poor handling of animals may result in reputational and ethical concerns.	Potential Negative Impact	Upstream
Management of relationships with suppliers		
Relationships with suppliers: Building long-term, respectful partnerships with suppliers helps stabilise the supply chain and makes it more resilient. These relationships also reinforce responsible practices across upstream activities.	Opportunity	Upstream
Corruption and bribery		
Anti-corruption practices: A strong framework, based on a clear Code of Conduct, internal audits and regular employee training, promotes ethical conduct, strengthens compliance and contributes to a transparent working environment.	Actual Positive Impact	Own Operations
Bribery exposure in upstream transactions: Despite prevention and detection efforts, the supply chain remains large and prone to bribery and corruption, particularly in transactions between sellers and buyers.	Actual Negative Impact	Upstream
Excellence and trust: By adopting practices aligned with the highest anti-corruption standards, we reinforce stakeholder trust, enhance our brand image and promote exemplary ethical governance throughout the organisation.	Opportunity	Downstream

4. METHODOLOGY *AND PROCESS*

To carry out our first double materiality assessment in 2024, we adopted a robust methodology built on the principles set out in ESRS 1 and the EFRAG Implementation Guidance on Materiality Assessment (IG1). While the concept of materiality had already guided our sustainability work in previous years, this approach introduced a more structured and dual-perspective analysis, enabling us to assess both our outward sustainability impacts and the potential financial effects of ESG-related risks and opportunities on our business.

This first exercise formalised a comprehensive process that reflects our commitment to aligning with European Sustainability Reporting Standards, while remaining tailored to the specificities of our operations and value chain. It serves as a foundation for a maturing internal process—one that will evolve year after year to better support our strategic planning, risk management and reporting ambitions.

This assessment was structured around the following key steps :



4.1. UNDERSTANDING OUR CONTEXT

The first step of the assessment consisted in gaining a clear understanding of our business model, value chain and operating environment. This foundational work was essential to ensure that sustainability matters were assessed in relation to the company’s specific footprint, ecosystem and strategic ambitions.

A detailed mapping of our value chain was carried out to identify where impacts, risks and opportunities are most likely to arise. This included both upstream and downstream business relationships, from the sourcing of raw materials and components to the use, distribution and end-of-life of our creations.

The scope of the assessment is aligned with the boundaries defined for this sustainability report. It covered all our manufactures in Switzerland, our global network of boutiques and subsidiaries, and our extended value chain. Internal documentation and previous materiality assessments were reviewed alongside external references and sector-specific benchmarks to ensure a robust starting point for the assessment.

4.2. IDENTIFYING IMPACTS, RISKS AND OPPORTUNITIES (IROS)

A preliminary list of sustainability matters was established based on a detailed analysis of our operating context and value chain. This included a review of the key ESG issues relevant to the industry, as well as those emerging from our internal documentation and stakeholder ecosystem. The list of matters presented in Appendix C of ESRS 1 was also used to ensure comprehensive coverage of potential topics.

This initial mapping included a wide range of impacts as well as sustainability-related risks and opportunities likely to affect the company over time. Each item was provisionally linked to the relevant ESRS topic and positioned along the value chain.

This preliminary work was then refined through a series of internal workshops coordinated by the ESG Team. Relevant functions and departments were actively involved in these sessions to validate the list and ensure alignment with operational realities.

4.3. ASSESSING IROS

Each IRO identified during the previous phase was evaluated during a new series of internal workshops, based on the criteria set out in ESRS 1. This step aimed to determine which items were sufficiently significant to be considered material.

For impact materiality, the assessment considered actual and potential impacts (positive and negative) using the following criteria:

- **Scale:** the severity of the consequences for people or the environment;
- **Scope:** the extent or spread of the impact across sites, populations or geographies;
- **Irremediability:** the reversibility of the damage and the resources required to mitigate it;
- **Likelihood:** added for potential impacts to estimate the probability of occurrence.

For potential human rights impacts, the severity score was weighted more heavily than likelihood, in accordance with ESRS 1 and OECD guidance. Positive impacts were assessed based on scale and scope only (with likelihood added for potential impacts).

For financial materiality, risks and opportunities were assessed based on:

- **Magnitude:** an estimate of how significant the financial effect could be for the company;
- **Likelihood:** the probability that this risk or opportunity may materialise.

Given that this was our first formal application of financial materiality, the evaluation was conducted using qualitative thresholds. At this stage, the absence of mature, quantifiable indicators made it impractical to rely on detailed financial modelling.

4.4. CONSOLIDATING AND VALIDATING RESULTS

Once the internal evaluation phase was completed, a selection of external stakeholders was consulted to challenge the preliminary results. Through individual interviews, these stakeholders—ranging from suppliers to clients and civil society actors—were invited to comment on the draft findings, identify any missing elements, and share relevant perspectives on key sustainability topics.

Their feedback helped enrich the analysis and ensure alignment with external expectations. Adjustments were made where needed, and documented to ensure transparency.

The ESG Team then consolidated the final list of impacts, risks and opportunities, ensuring consistency across the value chain. When a topic presented multiple facets—such as both risks and opportunities, or both positive and negative impacts—the most significant aspect was retained to avoid dilution. A materiality threshold was applied, and for human rights issues, severity was prioritised over likelihood, in line with ESRS guidance.

Final results were reviewed by internal stakeholders and validated by the Strategic Committee, with overall approval to be issued by the Board of Directors.

4.5. A FOUNDATION FOR CONTINUOUS IMPROVEMENT

This first double materiality assessment marks an important milestone in our sustainability journey. While the process was grounded in a rigorous and participatory methodology, it remains largely qualitative—particularly with respect to the financial dimension, due to the current maturity of available data and internal modelling capabilities.

To strengthen the robustness and usefulness of future assessments, dedicated workstreams have been launched to improve data availability across the value chain, deepen the financial interpretation of ESG issues, and foster closer collaboration between ESG, Finance and Risk functions. These efforts will progressively enhance the precision and reliability of our analyses and ensure that they are increasingly aligned with emerging regulatory requirements and evolving sectoral expectations.

Over time, this evolving process will support more informed and strategic decision-making. It will help the company define targeted action plans to reduce negative impacts and risks, amplify positive contributions, and better anticipate sustainability challenges—ensuring that material issues are not only reported, but meaningfully addressed across our operations and value chain.



03

ENVIRONMENT

CLIMATE *CHANGE*

Audemars Piguet recognises its responsibility to minimise environmental impacts across its operations and value chain. Our approach focuses on reducing greenhouse gas emissions, improving energy efficiency, extending product life cycles and working towards greater circularity in materials and processes. Environmental topics were assessed in accordance with the ESRS as part of the DMA. Climate Change (E1) and Resource use and circular economy (E5) were identified as material, while other topics (E2-E4), while monitored, were not considered material at this stage.

For nearly 150 years, Audemars Piguet has been shaped by the land and the people of Le Brassus, a small village nestled in the Vallée de Joux. This remote valley in the Swiss Jura vaudois provided not only the natural resources—iron ore, running water and wood—but also the skilled craftsmen who mastered metalwork. Our founders drew on this environment and the expertise of local artisans to uphold and evolve the art of fine watchmaking, choosing to perpetuate their traditional know-how despite the temptation to follow easier paths. Watchmakers worked in harmony with nature, inspired by its rhythms to create timepieces that capture not just hours and minutes, but the very cycles of the world around them. This deep connection to nature also led to the creation of the Audemars Piguet Foundation

for Trees in 1992, dedicated to the conservation and restoration of forest ecosystems worldwide.

Deeply rooted in its birthplace, Audemars Piguet has always nurtured the community and region that shaped its journey. With our *établissement* heritage, we carry a deep sense of legacy, one that extends beyond watchmaking to the land we inhabit and the people it touches. Preserving this environment and passing it on to the next generations remains a fundamental commitment.

Today, as we deepen our commitment to sustainability, we are not forging a new path—we are honouring the one that has always guided us, ensuring it endures for generations to come.

1. TRANSITION PLAN *FOR CLIMATE CHANGE MITIGATION*

As part of our long-term commitment and strategy, our environmental ambition is driven by a duty to limit our carbon footprint—both in our own operations and across our value chain—while fostering climate resilience. To support our climate strategy and contribute to the industry's climate efforts, we have joined the Science Based Targets initiative (SBTi) in 2024, aligning our goals with the Paris Agreement, which seeks to keep global warming below 1.5°C. In preparation, we finalised a decarbonisation roadmap at the end of 2024 and the definition of near long term target, which was formally approved by the Board of Directors.

1.1. STRATEGIC OBJECTIVES AND ALIGNMENT

The roadmap, based on our 2024 carbon footprint, covers scopes 1, 2, and 3 emissions across our consolidated perimeter. While scope 1 and 2 account for only 2% of total emissions, they are addressed through key measures such as energy efficiency, fleet electrification, refrigerant replacement, and renewable electricity sourcing. Scope 3 emissions, which represent over 98% of our footprint, are tackled using an absolute reduction method for internal business travel, commuting and internal events. In parallel, an engagement programme is being deployed with

upstream suppliers - particularly for raw materials such as gold - to help reduce supply chain emissions. Our decarbonisation roadmap is structured around eight strategic levers targeting emissions across scopes 1 and 3. These levers form the operational foundation of our transition plan and will be progressively activated and scaled between 2025 and 2030. The specific targets and decarbonisation levers will be detailed in the following section.

1.2. INTEGRATION INTO OUR OPERATIONS AND STRATEGY

Climate change mitigation and adaptation form an integral part of our ESG strategy and planning processes. The decarbonisation roadmap, finalised at the end of 2024, provides the basis for this integration and is already being progressively implemented throughout the company and our subsidiaries, with initial actions under way around key decarbonisation levers. Full operational integration is expected to accelerate following the validation of our SBTi targets, under the coordination of the Executive Committee.

To prepare for implementation, designated ESG leads have been identified across key corporate departments and subsidiaries. These individuals will ensure consistent deployment and local ownership of climate-related objectives as operational processes evolve. The internal structure also anticipates support from cross-functional working groups dedicated to future actions such as refrigerant phase-out, and supplier engagement.

1.3. GOVERNANCE AND OVERSIGHT

The governance of our transition plan reflects our broader ESG framework. The ESG strategy is developed by the Executive Committee, which oversees both the design and implementation of the climate roadmap with the support of the ESG Team. A dedicated annual review ensures continuous monitoring, while progress updates and key decisions are escalated to the Board of Directors for validation and strategic alignment.

1.4. PROGRESS AND OUTLOOK

The roadmap has been formally adopted and provides the strategic foundation for our future climate actions. A timeline detailing its key implementation phases is presented in the following section on climate targets. In early 2025, we will submit our climate targets to the SBTi for validation, marking a key milestone in our

journey. The next step will focus on preparing the tools and governance mechanisms to support implementation, including monitoring systems, policy structuring, and supplier engagement planning.

2. POLICIES RELATED TO CLIMATE MITIGATION *AND ADAPTATION*

In 2024, we adopted our decarbonisation roadmap and initiated the process for target validation by the SBTi. Building on this foundation, we are now developing several climate-related policies to further strengthen our approach to mitigation and adaptation, as part of the broader ESG integration process.

We are actively working on four complementary policies: a revised ESG Policy, which will serve as a transversal reference framework across all sustainability topics; an Environmental Policy, providing overarching principles for environmental stewardship; and two thematic policies dedicated to Energy and to Water. These policies will define our commitments on energy efficiency, renewable energy sourcing, and sustainable

water use. Once adopted, they will apply to all entities, including subsidiaries, and contribute to reducing our negative climate-related impacts and strengthening the company's resilience to future external pressures from climate change.

While these policies are still under development, climate-related actions are already being guided by internal guidelines, operational strategies, and oversight mechanisms that ensure consistency with our emissions reduction roadmap. These guiding elements, and the concrete actions they support, are detailed in the next section. We aim to finalise and publish our policies regarding ESG and environmental topics by the end of 2025.

3. ACTIONS AND RESOURCES IN RELATION *TO CLIMATE CHANGE POLICIES*

We have been actively working for over a decade to reduce our climate impact and strengthen the energy performance of our operations. From the early adoption of renewable heating systems in le Brassus in 2008 to the full transition to 100% renewable electricity and heat at our HQ and manufacturing sites in Switzerland in 2021, we have continuously advanced our efforts to remain at the forefront of the industry. In parallel, we

have progressively expanded our greenhouse gas inventories to improve the accuracy and completeness of accounting for our carbon footprint, both in Switzerland and across our subsidiaries. These developments have enabled us to improve the reliability of our data and prepare for more ambitious climate targets.

In 2024, we consolidated our long-standing efforts into a structured decarbonisation roadmap covering scopes 1, 2, and 3. This roadmap strengthens the guidance of our climate actions across the Group and sets out a phased implementation starting in 2025, following the validation of our targets by the SBTi.

To support this transformation, we are mobilising dedicated resources, including the Energy Management Team launched in 2021, increased investments in building performance, energy efficiency actions, renewable sourcing, and digital tools to monitor and optimise consumptions. Our actions are not only designed to reduce emissions — they also aim to increase climate resilience and support long-term adaptation across our operations.



Our actions are not only designed to reduce emissions — they also aim to increase climate resilience and support long-term adaptation across our operations.



3.1. STRUCTURED IMPLEMENTATION ACROSS ALL SCOPES

Several of these measures correspond directly to the decarbonisation levers identified in our transition plan. For Scope 1, we are transitioning to renewable energy sources, enhancing the energy efficiency of our buildings and heating systems, implementing heat recovery solutions across our equipment, and progressively converting our corporate fleet to electric vehicles. Local renewable heat sources, such as the wood-based district heating system introduced in Le Brassus in 2008, continue to support this transition.

On scope 2, we source renewable electricity from Swiss providers and have installed photovoltaic panels across several of our buildings — with further deployments planned wherever feasible. We are implementing energy efficiency measures in line with multi-year reduction plans, targeting both building systems and equipment. Since 2008, all new constructions have complied with Swiss high-performance energy standards, such as MINERGIE or MINERGIE-ECO®. Existing buildings have been progressively assessed and upgraded where relevant to

ensure alignment with these standards. These long-term efforts are now supported by our Energy Management Team.

Actions targeting scope 3 are particularly critical given their weight in our carbon footprint. A supplier engagement programme, currently covering approximately 69% of scope 3 emissions, is being rolled out to strengthen climate action across our value chain. In parallel, dedicated measures are already in place across lower-impact categories such as business travel, internal events, and employee commuting, together representing less than 10% of total scope 3 emissions. These include the enforcement of a travel policy that prioritises low-carbon transport modes, the optimisation of travel planning, the revision of event formats, a remote work policy, and a commuting strategy that promotes electric mobility, carpooling, and public transport. Further details on scope repartition and emissions breakdown are provided in the following section.

3.2. RESOURCE EFFICIENCY AND BUILDING PERFORMANCE

Environmental performance is also supported by efficient resource use, particularly energy and water. A digital monitoring system is being deployed across our Swiss sites to track consumption, detect inefficiencies, and address anomalies such as water leaks. This system is part of a broader strategy that includes maintenance plans, upgrades, and compliance with strict environmental specifications for all real estate projects. Each construction or renovation project is designed to integrate long-term sustainability, climate performance, and resilience criteria. This builds on actions already taken in previous years to install low-consumption equipment, recover heat from machinery, and optimise overall usage.

3.3. RESPONSIBLE SOURCING AND LOCAL PROCUREMENT

Our approach to responsible sourcing is supported by our internal Raw Materials Guidelines introduced in 2023, which define our environmental and social expectations for suppliers in alignment with international standards such as the OECD Due Diligence Guidance. These guidelines provide a framework to improve traceability and minimise risks — including environmental degradation, child labour, and human rights violations, and strengthen sustainability performance across the value chain.

To support suppliers in meeting these expectations, we actively promote their participation in the Swiss Triple Impact (STI) programme, which helps them strengthen their own sustainability performance and alignment with global standards. This national initiative

helps companies identify their sustainability priorities and align their actions with the UN Sustainable Development Goals. Since 2022, over 70 direct suppliers have joined the STI programme. Looking ahead, we aim to achieve full transparency over all direct purchases by the end of 2025. Currently, over 95% of our direct procurement, primarily related to watch components, is sourced from local suppliers, which also contributes to lower transport-related emissions compared to equivalent sourcing from overseas suppliers. Here we only focus on emissions in the supply chain. For more information on our approach to material sourcing, please refer to the chapter on Resource Use & Circular Economy.

4. TARGETS RELATED TO CLIMATE CHANGE *MITIGATION AND ADAPTATION*

The climate targets we have defined apply across all our entities and will be submitted to the SBTi for validation in 2025. They were developed using internal GHG (Greenhouse Gas) inventories, based on historical carbon footprint data, and sector-specific benchmarks, in line with SBTi requirements. These targets may be refined following the outcome of the validation process.

4.1. SCOPE AND METHODOLOGY

The targets are tracked using a market-based approach for scope 2 and absolute values for all scopes, in line with the GHG Protocol. Since 2023, enhanced data quality has enabled more accurate monitoring and prioritisation of emission reduction efforts. Annual tracking, continuous validation, and third-party verification ensure transparency and accountability.



*This target applies to selected scope 3 categories covered by our decarbonisation roadmap

4.2. DECARBONISATION LEVERS

The achievement of these targets is built around eight strategic decarbonisation levers identified in our roadmap:

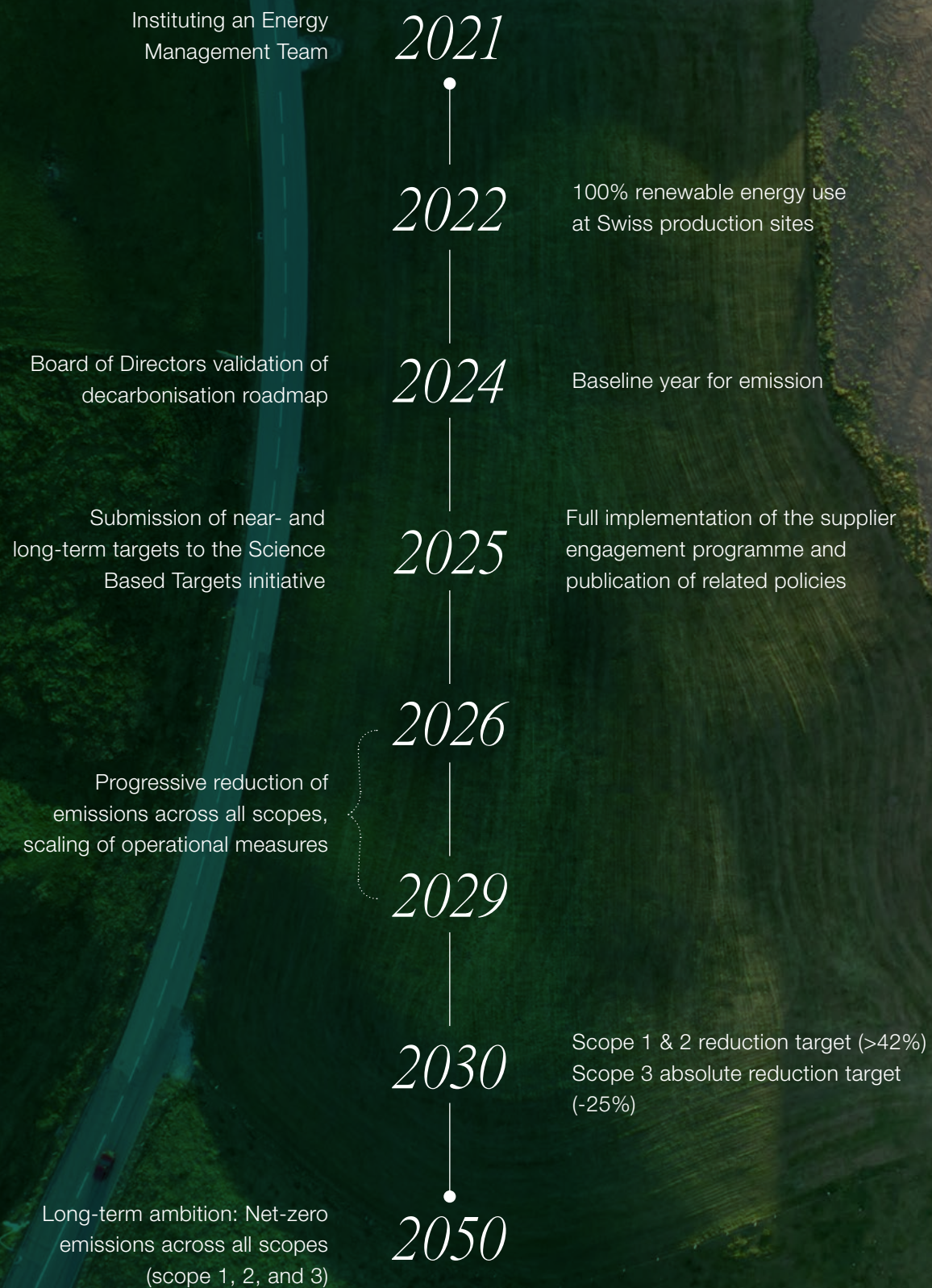


Scope 1 & 2: Energy efficiency, refrigerant replacement, electrification of vehicles, and renewable electricity sourcing.

Scope 3: Supplier engagement, low-emission commuting, streamlined internal events, and responsible travel planning.

These levers form the basis of our current reduction scenarios and will be refined following the SBTi validation, with corresponding KPIs and implementation mechanisms to be finalised in 2025.

4.3. OUR RECENT MILESTONES



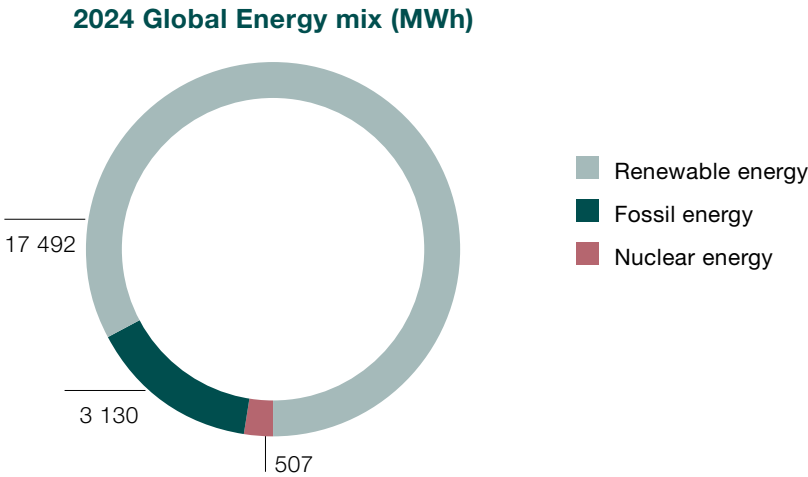
5. ENERGY CONSUMPTION AND MIX

Energy consumption is a core component of our climate strategy and environmental performance. In 2024, we established a comprehensive baseline across all consolidated operations as part of the development of our decarbonisation roadmap. This energy inventory enables consistent monitoring, supports the implementation of energy efficiency measures, and directly informs our emissions reduction strategy.

5.1. GROUP-WIDE ENERGY OVERVIEW

In 2024, our total energy consumption amounted to 36,303 MWh. This includes all forms of energy consumed within the consolidation scope: electricity, heating, steam and fuel.

ENERGY CONSUMPTION AND MIX GROUP-WIDE	BASE YEAR (2024)
(1) Fuel consumption from coal and coal products (MWh)	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	229
(3) Fuel consumption from natural gas (MWh)	303
(4) Fuel consumption from other fossil sources (MWh)	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling	2 598
(6) Total fossil energy consumption (MWh)	3 130
Share of fossil sources in total energy consumption (%)	14.81
(7) Consumption from nuclear sources (MWh)	507
Share of consumption from nuclear sources in total energy consumption (%)	2.40
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origins, biogas, renewable hydrogen, etc.) (MWh)	938
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	16 394
(10) Consumption of self-generated non-fuel renewable energy (MWh)	159
(11) Total renewable energy consumption (MWh)	17 492
Share of renewable sources in total energy consumption (%)	82.78
Total energy consumption (MWh)	21 129



5.2. HQ AND MANUFACTURING SITES IN SWITZERLAND

Switzerland hosts the majority of our workforce and production activities and has long served as a testing ground for our energy transition efforts. Our HQ and manufacturing sites in Switzerland account for over 95% Of our total energy consumption in Switzerland, with each site exceeding 50 MWh per year.

Our transition to renewable energy began in 2008 with the installation of a wood-based district heating system in Le Brassus, and was completed in 2021 when all production sites became powered by 100% renewable energy. Today, our electricity is sourced from certified Swiss hydropower or self-generated through photovoltaic systems, while our heat supply relies on biomass and geothermal energy. The district heating system also extends its benefits to the local community, reinforcing our commitment to shared and sustainable energy solutions.

In 2024, these sites consumed 14,282 MWh of energy, up from 11,600 MWh in 2023. This rise is mainly due to

increased activity and the integration of new production sites.

These high-consumption sites have been subject to a targeted monitoring and optimisation programme since 2021. In 2023, this led to a nearly 20% reduction in energy use despite growing production. The programme was further strengthened in 2024, expanding monitoring capabilities and focusing on areas such as equipment upgrades, process optimisation, and behavioural initiatives to drive continuous improvement in energy performance..

Looking ahead, we aim to replicate this performance across all entities, with renewable sourcing and energy efficiency improvements aligned to concrete milestones in our decarbonisation roadmap, set between 2026 and 2029. A new group-wide Energy Policy will further support this effort, offering a consistent and strategic framework adapted to local contexts.

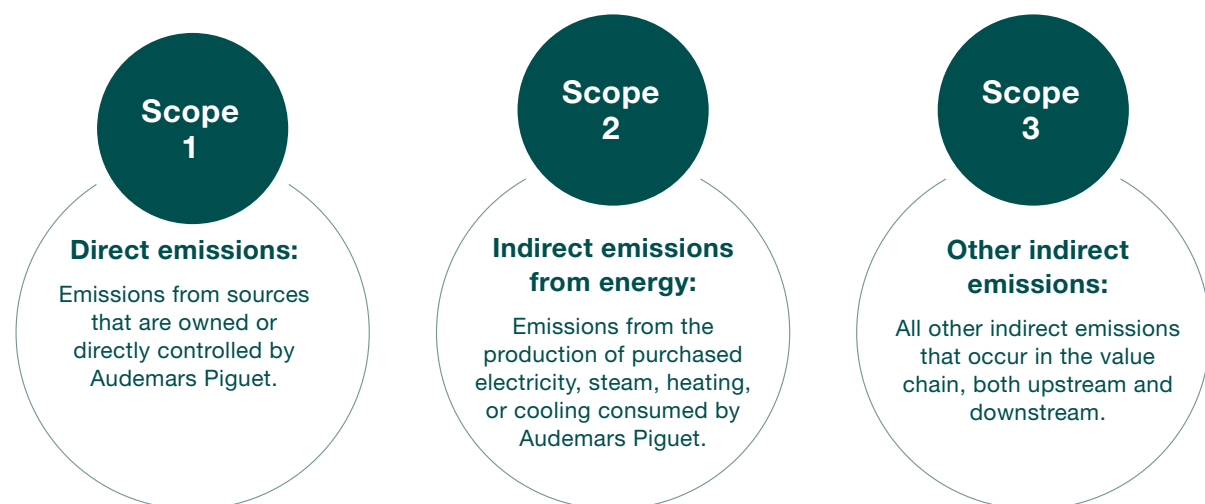
ENERGY CONSUMPTION AND MIX AT HQ AND MANUFACTURING SITES IN SWITZERLAND	COMPARATIVE (2023)	BASE YEAR (2024)
(1) Fuel consumption from coal and coal products (MWh)	0	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	0	0
(3) Fuel consumption from natural gas (MWh)	0	0
(4) Fuel consumption from other fossil sources (MWh)	0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling	0	0
(6) Total fossil energy consumption (MWh)	0	0
Share of fossil sources in total energy consumption (%)	0	0
(7) Consumption from nuclear sources (MWh)	0	0
Share of consumption from nuclear sources in total energy consumption (%)	0	0
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origins, biogas, renewable hydrogen, etc.) (MWh)	0	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	11 445	14 123
(10) Consumption of self-generated non-fuel renewable energy (MWh)	155	159
(11) Total renewable energy consumption (MWh)	11 600	14 282
Share of renewable sources in total energy consumption (%)	100	100
Total energy consumption (MWh)	11 600	14 282

6. CARBON *FOOTPRINT*

As part of our climate strategy, we conducted a comprehensive carbon footprint assessment for the year 2024. This exercise aims to support CSRD compliance, enhance internal autonomy and data transparency, provide a detailed analysis of greenhouse gas emissions across scopes, and establish a solid baseline for future SBTi setting. It also serves as the foundation for defining a climate transition plan aligned with industry best practices and long-term science-based targets.

6.1. METHODOLOGY AND SCOPE

Our emissions accounting is guided by the Greenhouse Gas Protocol (GHG), covering Scope 1 (direct emissions), Scope 2 (indirect emissions) and Scope 3 (indirect emissions across the value chain.) In line with the ESRS and in preparation for science-based target validation, we have enhanced our approach to data collection and methodology. Greenhouse gas (GHG) emissions are grouped into three scopes defined by the GHG Protocol:



Methodology and data sources

GHG emissions were calculated in line with the GHG Protocol using ADEME emission factors. Biogenic CO₂ is reported separately. The full consolidation perimeter is covered, and several structural and value chain changes were introduced in 2024, including an expanded reporting perimeter and improved coverage of upstream and downstream activities.

The 2024 carbon footprint integrates significant improvements. Methodological enhancements included event-specific carbon assessments, refined modelling of infrastructure emissions based on actual financial outflows, and more granular analysis of IT-related emissions, internal freight, employee commuting, and promotional items. In parallel, the consolidation perimeter was expanded to capture emissions from subsidiary

procurement and infrastructure, direct subcontracting activities, and a broader range of external services.

These changes contribute to improving the quality, transparency, and coverage of our carbon reporting. They provide a more comprehensive basis for setting measurable reduction targets and preparing a structured transition plan aligned with science-based objectives.

Scope 3 categories covered

Our 2024 carbon footprint includes key upstream and downstream indirect emission sources as defined by the GHG Protocol. The following categories were covered: purchased goods and services, capital goods, energy-related activities, transport and distribution, waste, business travel, employee commuting, downstream logistics and end-of-life treatment of sold products.

Scope 3 categories excluded

Certain categories were not included due to limited relevance or materiality within our business model:

- **Leased assets** (3.8 and 3.13): already included under our operational control consolidation method
- **Processing and use** of sold products (3.10 and 3.11): excluded due to product durability, low energy
- **Franchises** (3.14): not applicable, as we do not operate a franchise model

6.2. EMISSIONS OVERVIEW

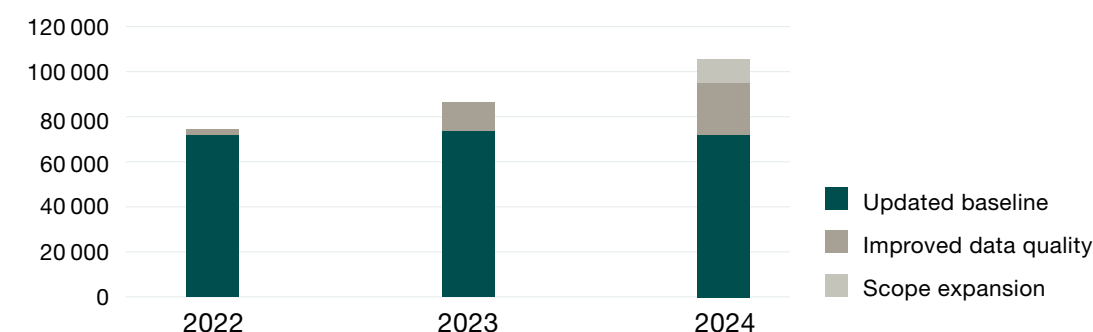
In 2024, our total gross greenhouse gas emissions amounted to 105,699 tCO₂e (market-based), covering scopes 1, 2 and 3. This represents a 22.4% increase compared to 2023, primarily explained by the broadening of the reporting perimeter and improved granularity of data — including the extension and strengthening of data

reliability for events and the refinement of extrapolation methods — rather than a rise in underlying operational emissions. Scope 3 remains the dominant contributor, accounting for 98% of total emissions, while scopes 1 and 2 combined account for just under 2%.

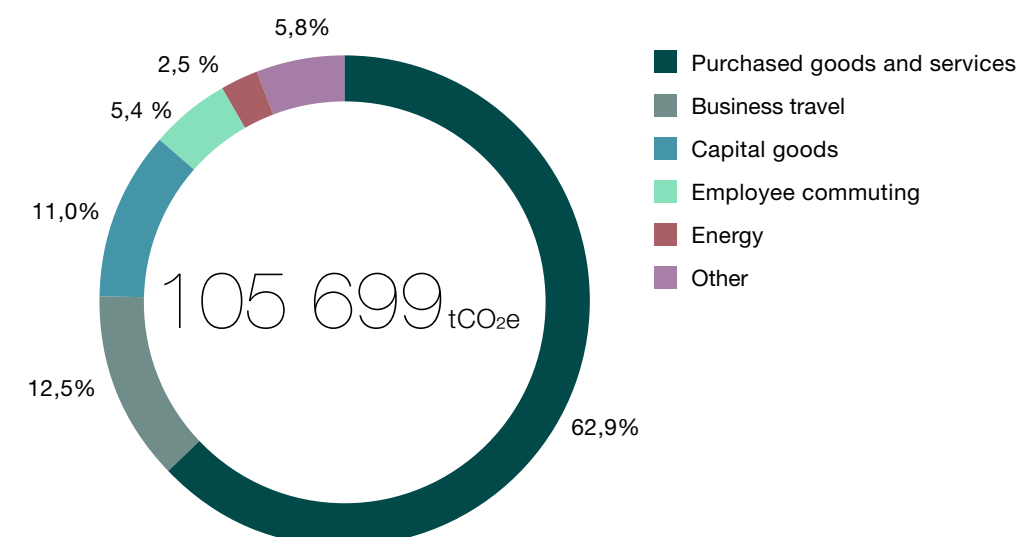
These methodological improvements and perimeter extensions introduced in 2024 allow us to build a more reliable and comprehensive baseline that will support informed decision-making and alignment with science-based climate targets.

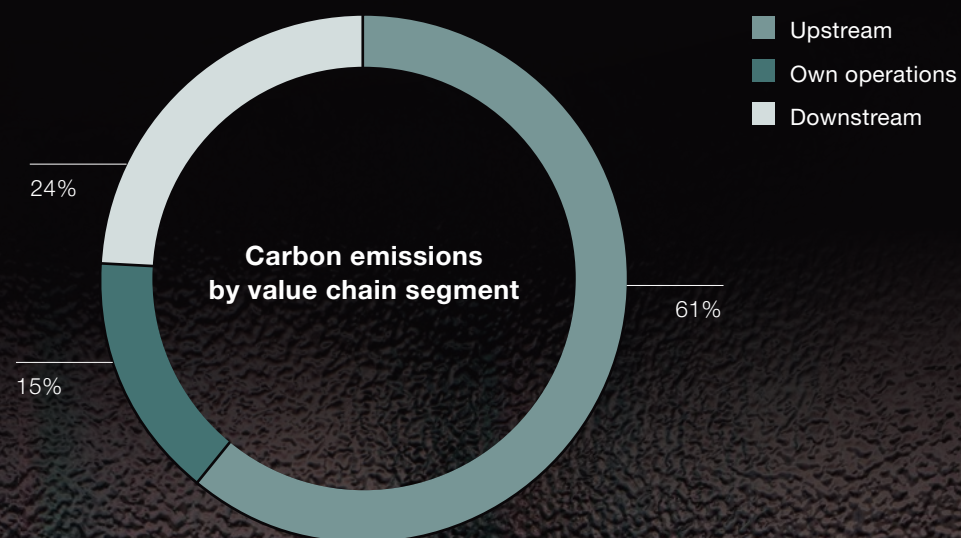
To illustrate the evolution and drivers behind these figures, the following chart shows total GHG emissions between 2022 and 2024, highlighting the respective contributions of base emissions, improved data coverage, and new activities included in the updated perimeter.

Carbon footprint changes due to expanded reporting scope



Audemars Piguet's GHG emissions in 2024 (market-based)





The breakdown by emission category illustrates the major contributors to our carbon footprint. Purchased goods and services are identified as the leading source, representing 63% of total emissions. This is primarily driven by raw materials such as gold. While the gold we use is recycled and therefore has a lower actual carbon footprint, the calculation applies conservative emission factors based on artisanal and small-scale mining (ASM), in line with current methodological standards. Business travel and capital goods account for 12% and 11% of our emissions respectively, with targeted

measures already underway to reduce travel-related impacts. Employee commuting, waste, and logistics contribute around 9% collectively, highlighting opportunities to address residual emissions. When emissions are analysed by stage of the value chain, approximately 61% stem from upstream activities (primarily related to our supply chain), 15% from our own operations, and 24% from downstream activities. This highlights the strategic importance of engaging with suppliers and partners throughout the value chain to reduce our overall climate impact.

GHG emissions scopes 1, 2 and 3 (tCO2e)

	2022	2023	2024 (base year)
Location-based	75,860	87,375	106,071
Scope 1 & 2	2,314	3,032	2,396
Scope 1: Direct emissions from owned or controlled sources	59	209	225
Scope 2: Indirect emissions from the generation of purchased energy	2,255	2,823	2,171
Scope 3	73,546	84,342	103,675
Category 3.1: Purchased goods and services	50,806	54,201	66,453
Category 3.2: Capital goods	232	1857	11,608
Category 3.3: Fuel and energy-related activities not included in scope 1 or scope 2	351	588	617
Category 3.4: Upstream transportation and distribution	349	157	4,242
Category 3.5: Waste generated in operations	48	98	154
Category 3.6: Business travel	17,109	14,818	12,230
Category 3.7: Employee commuting	4,651	6,218	5,688
Category 3.9: Downstream transportation and distribution	n.a.	6,405	1,664
Category 3.12: End-of-life treatment of sold products	n.a.	n.a.	19
Market-based	70,473	86,373	105,699
Scope 1 & 2	1,080	1,995	2,035
Scope 1: Direct emissions from owned or controlled sources	59	209	225
Scope 2: Indirect emissions from the generation of purchased energy	1,021	1,786	1,810
Scope 3	69,393	84,378	103,664
Category 3.1: Purchased goods and services	50,806	54,201	66,453
Category 3.2: Capital goods	232	1,857	11,608
Category 3.3: Fuel and energy-related activities not included in scope 1 or scope 2	388	624	606
Category 3.4: Upstream transportation and distribution	349	157	4,242
Category 3.5: Waste generated in operations	48	98	154
Category 3.6: Business travel	17,109	14,818	13,230
Category 3.7: Employee commuting	4,651	6,218	5,688
Category 3.9: Downstream transportation and distribution	n.a.	6,405	1,664
Category 3.12: End-of-life treatment of sold products	n.a.	n.a.	19

GHG Emissions Intensity

	2023	2024
Total GHG emissions (location-based) per net revenue (tCO2eq/MCHF)	39.2	45.4
Total GHG emissions (market-based) per net revenue (tCO2eq/MCHF)	38.8	45.2

RESOURCE USE & *CIRCULAR ECONOMY*

1. POLICIES RELATED TO RESOURCE USE, *TRACEABILITY AND CIRCULAR ECONOMY*

Circular economy and resource use are addressed through key internal frameworks such as the Raw Materials Guidelines, the Supplier Code of Conduct, and our Supplier Engagement Plan, which reflect our broader commitments to environmental responsibility and ethical sourcing. These frameworks set out expectations on traceability, certification, and responsible sourcing across the value chain.

Through the Raw Materials Guidelines established in 2023, we align our sourcing practices with leading international standards and support supplier alignment through the Swiss Triple Impact programme, which helps companies in various value chains measure their progress and enhance their sustainability performance. Since 2022, more than 70 of our direct suppliers have joined the programme. Engaging our supply chain partners is essential to advancing environmental sustain-

ability, particularly in addressing scope 3 emissions. As part of our scope 3 action plan, we are working closely with suppliers to reduce impacts across key categories such as logistics and raw material extraction.

Looking ahead, the Environmental Policy currently under development will serve as a group-wide framework to consolidate, strengthen, and align existing practices related to resource efficiency, circularity, and recycling. While dedicated circularity policies are still being formalised, core principles such as material reuse, durability, and reparability are already embedded in our practices, given the precious nature of our materials and the long lifespan of our products. This policy will further reinforce our commitment to reducing the environmental impacts associated with material sourcing, use, and end-of-life, while scaling and unifying best practices across all entities and functions.

1.1. SENSITIVE MATERIALS

Given the nature of our craft and the complexity of our value chain, certain raw materials present heightened environmental or social risks. We have identified five material categories as particularly sensitive based on a dedicated risk-mapping exercise that involved close analysis of our sourcing practices, supplier locations, and exposure to ESG issues. Specific sourcing requirements have been defined for each of these materials to mitigate associated impacts and promote responsible practices throughout the supply chain.



Gold

At Audemars Piguet, we exclusively use recycled gold, sourced from Swiss refiners certified under the Responsible Jewellery Council's Code of Practices (RJC COP) and subject to strict due diligence. RJC COP certification explicitly prohibits practices such as child labour. For the residual share of gold from Artisanal and Small-Scale Mining (ASM) — representing less than 1%

of our supply — mines are clearly identified and regularly audited. In addition, for every kilogram of gold purchased, we contribute to two long-standing initiatives, PX Impact® (since 2018) and Swiss Better Gold (since 2021), which support community development projects in health, education, and livelihoods for artisanal mining communities.



Diamonds

All direct diamond suppliers are RJC-certified, and we do not source diamonds from conflict affected and high-risk areas (CAHRAs). Since 2022, we have formally excluded any sourcing from Sierra Leone and Angola. Our procurement practices are guided by strict due diligence, traceability, and adherence to responsible sourcing principles.



Coloured Gemstones

We only use coloured gemstones from verified origins. We collaborate with direct suppliers certified by the Responsible Jewellery Council (RJC) and systematically require origin information for each stone. This applies specifically to emeralds, sapphires and rubies. For gemstones lacking certification within their supply chains, prioritised tracing programmes have been in place since 2021, enabling full traceability. Independent third-party audits are conducted for every actor in the supply chain to verify compliance with our requirements, including the prohibition of child labour.

By working directly with suppliers, pairs and industry initiatives, we also contribute to strengthening industry standards in human rights, environmental protection, and ethical supply chains. Independent third-party audits are conducted across all relevant actors in our gemstone value chains.



Wood

All wood and wood-derived materials must be certified by the Forest Stewardship Council (FSC), the Programme for the Endorsement of Forest Certification (PEFC), or the Swiss Wood Programme. We systematically document wood type and origin and ensure compliance with Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES) regulations, avoiding the use of endangered species and promoting sustainable forestry.



Leather

All our leather strap suppliers, with the exception of special orders to modify the original bracelet as requested by client, are certified by the Association for Quality Assurance of Leather Bracelets Manufacturers (AQC). We source alligator leather exclusively from regulated U.S. farms and work only with tanneries certified by AQC and/or the Leather Working Group (LWG). This indirectly contributes to a programme of wetlands preservation, which are essential for carbon storage and biodiversity. This point is also supported by the International Crocodilian Farmers Association (IFCA), which highlights the environmental role of wetlands in its latest report. Further details can be found in the 2023 IFCA report available [here](#).

The calfskin leather used in our core collections is primarily of European origin and subject to continuous improvement initiatives regarding traceability and animal welfare.

1.2. SUPPLIER EXPECTATIONS AND ENGAGEMENT

To support responsible sourcing and circularity across the value chain, we rely on a structured supplier management approach rooted in long-term collaboration, material traceability, and clear expectations for sensitive materials.

Supplier requirements are defined through the Raw Materials Guidelines and the Supplier Code of Conduct, which outline the standards to be met in terms of origin, certification, and traceability.

This sourcing approach is supported by a risk-based assessment framework, which guides the classification of suppliers to prioritise support for those in higher-risk categories in meeting certification standards. It also contributes to our 2030 objective of ensuring full traceability throughout the supply chain.

In addition, suppliers guided by our Suppliers Code of Conduct are expected to minimise their environmental footprint, implement effective waste and chemical management, and contribute to circularity by promoting recycled inputs, reuse, and sustainable product design. Additional information on Supplier Code of Conduct and engagement in place can be found in chapter [G1–Business Conduct].

2. ACTIONS *AND RESOURCES*

We have made the efficient use of resources and the integration of circularity principles a strategic environmental priority. Formalised in 2024, this approach is now being progressively implemented across the company. While many of the actions already in place stem from long-standing practices embedded in our sourcing and production systems, new efforts are underway to harmonise and scale these initiatives.

2.1. ECO-DESIGN AND UPSTREAM RESOURCE EFFICIENCY

Eco-design represents a central lever in our efforts to reduce environmental impact. A notable initiative in 2021 led to a redesign of our watch boxes, reducing their carbon footprint from 7.8 kg to 2.1 kg CO₂ per unit, thanks to improved packaging logistics and more resource-efficient materials.

In our offices, obsolete IT equipment is managed in collaboration with external service providers. In 2024, part of this equipment was donated to Caritas Vaud to support social inclusion initiatives. This includes secure data destruction, followed by the recovery of valuable metals, in full compliance with regulatory and confidentiality standards.

2.2. RECYCLED MATERIALS AND CIRCULAR MATERIAL FLOWS

The reuse of secondary raw materials is increasingly embedded in our operational practices. Recycled metals, such as gold and steel, are regularly reintegrated into the production of new watch components. To support this, machining operations are optimised to minimise material loss, and recycled steel is used wherever technically possible.

Plastics collected at our Meyrin and Le Brassus sites are sorted and transferred to local recycling partners, where they are processed into new packaging elements. These partnerships strengthen local circularity and contribute to our objective of reducing our dependency on virgin materials.

2.3. WASTE MANAGEMENT AND RECOVERY PRACTICES

Waste management practices are structured to maximise recycling and reduce our environmental footprint. All production sites are equipped with designated sorting areas, enabling employees to sort materials such as clean and soiled plastics, paper and various metals. General industrial waste is systematically compacted prior to collection to optimise transportation and logistics. Hazardous waste, including chemical products and electronic components, is processed by certified external partners. Additional initiatives have been launched to reduce everyday waste, such as phasing out disposable tableware and implementing food waste prevention measures in company restaurants.

3. TARGET RELATED TO RESOURCE USE *AND CIRCULAR ECONOMY*

3.1. PRIORITY OBJECTIVES UNDER DEVELOPMENT

A structured approach to circularity targets is gradually being developed as part of our wider ESG roadmap. While short-term quantitative goals have not yet been

formalised, several internal objectives are currently being shaped.

We are working to maintain, and where possible improve,



the current recycling rate, which stands at around 60% of total waste streams. Efforts are also underway to increase the share of recycled content in selected technical components, which offer significant circularity potential. In parallel, dedicated targets at the production level aim to optimise the recovery and recycling of precious mate-

rials used during watch manufacturing.

In collaboration with suppliers, several industrial projects and programmes are being carried out to better quantify the impacts of production and to implement solutions that reduce energy consumption and waste generation across the manufacturing process.

3.2. IMPLEMENTATION AND FUTURE ALIGNMENT

To support these objectives, internal awareness campaigns and engagement initiatives started during 2024, with a focus on product development and R&D teams. The aim is to integrate circular thinking at the earliest stages of design and innovation.

Internally, we have already defined preliminary targets to steer our transition towards more circular practices, including objectives related to the recyclability of waste and the use of recycled materials. These internal targets are currently being refined and aligned with our long-term ambitions. They will be formalised and publicly disclosed in future reporting cycles, in line with data availability and regulatory developments.



04

PEOPLE AND
COMMUNITIES

OWN *WORKFORCE*

1. POLICIES RELATED TO OUR OWN WORKFORCE

Audemars Piguet owes its reputation and success today to the extraordinary craftsmanship, dedication, and diversity of its people. We trace our roots to the local network of family artisans – known as *établissage* – that flourished in the Vallée de Joux in the nineteenth century. As *établisseurs*, Jules Louis Audemars and Edward Auguste Piguet coordinated the work of dozens of small workshops scattered across the region, each specialising in the production of one or more movement components. To bring completed watches to life, the two entrepreneurs conducted a wide range of operations including adjusting, adapting, setting, finishing, assembling and final testing.

Although our company has evolved over the years from an *établisseur* to an integrated manufacture, collective work remains our backbone. Our watches are born from the many talents, both internal and external, collaborating across the supply chain. “It takes a village to create the extraordinary”, as we like to say. It is therefore our responsibility today to enrich and pass on this living heritage, building on expertise and human talent to ensure that we can continue to craft exceptional timepieces for generations to come.



1.1. REMOTE WORK POLICY

Our Remote Work Policy promotes flexibility, autonomy and work-life balance. It defines eligibility criteria, expectations for availability and confidentiality, and best practices for maintaining team cohesion while working from home. The policy applies primarily to roles that are compatible with remote work, such as office-based positions. While functions requiring a physical presence are excluded due to the nature of their tasks, we actively explore other ways to promote flexibility and well-being for all employees.

The policy is built on mutual trust between employees and managers and includes guidelines for maintaining well-being, ergonomics and inclusiveness in hybrid work settings. To support this, we provide IT and ergonomic office equipment packages to all eligible employees, ensuring they have the necessary tools to work effectively from home.

1.2. HEALTH & SAFETY POLICY

The Health & Safety Policy is a cornerstone of our commitment to workplace wellbeing. It clearly defines the responsibilities of all managers, from executive leadership to first-line supervisors, in preventing incidents that could lead to injuries, illness, material damage or environmental harm.

While fully aligned with Swiss legal requirements and international standards, our approach goes beyond compliance. We promote a culture of prevention through regular internal and external audits, annual third-party assessments presented to executive leadership, systematic risk identification, and continuous communication and training. Employees are actively involved in health and safety matters, and clear disciplinary measures are in place in case of non-compliance. The policy also explicitly prohibits any behaviour that compromises workplace well-being or contradicts our ethical standards.

1.3. CONTINUING TRAINING REGULATION

Our Continuing Training Regulation ensures that all employees have access to professional development

opportunities throughout their careers. It applies to all team members across the manufacture, supporting both personal growth and company-wide innovation.

The policy promotes lifelong learning, equal access to training, upskilling and reskilling, and structured progression plans. Training is closely tied to performance reviews and career development frameworks.

1.4. HUMAN RIGHTS POLICIES

Respecting Human rights is a fundamental commitment that shapes our workplace culture. While a standalone Human Rights Policy is being developed, our existing policies already provide robust protection for employee dignity, equality and safety.

The Code of Ethics, SpeakUpLine (detailed below), Health & Safety and Training policies all contribute to a respectful and inclusive environment, protecting individuals from harassment, discrimination or unsafe conditions.

The upcoming policy will consolidate these principles and ensure formal alignment with international standards such as the UN Guiding Principles and International Labor Organisation (ILO) core conventions.

1.5. CODE OF PROFESSIONAL ETHICS

Audemars Piguet's Code of Professional Ethics outlines expected standards of behaviour for all employees and forms the ethical foundation of daily conduct. It promotes integrity, respect, and responsibility throughout the workplace. For further details, including its application to external stakeholders and alignment with international standards, see chapter [G1 – Business Conduct] of this report.

1.6. SPEAKUP LINE POLICY

Our SpeakUpLine offers a confidential and independent reporting channel available to all employees and external partners. It supports a culture of psychological safety and ethical accountability. Detailed procedures, governance structure, and oversight mechanisms are presented in chapter [G1 – Business Conduct] of this report.

2. SOCIAL DIALOGUE *AND GRIEVANCE MECHANISMS*

2.1. A FRAMEWORK FOR CONSTRUCTIVE SOCIAL DIALOGUE

Open and constructive dialogue with collaborators is a long-standing practice at Audemars Piguet. Our company is covered by a sector-level collective agreement that includes key provisions such as retirement preparation schemes.

Employee representation is supported through a personnel committee, which acts as a liaison between staff and management. While its scope is being further formalised, it already plays an active role in conveying employee concerns and supporting transparent communication.

2.2. ENGAGING THROUGH PERFORMANCE MANAGEMENT AND TALENT REVIEWS

Regular and structured conversations between managers and employees are central to our engagement approach. Each year, performance reviews are conducted to reflect on past objectives, identify areas for growth, and prepare for the future. This cycle is coordinated by the HR department to ensure consistency across teams.

Evaluations take place in November, followed by a company-wide objective-setting campaign between January and March/April. Talent reviews are conducted to identify high-potential employees and guide their tailored development journeys. At the same time, career growth opportunities are accessible to all, reinforced by an internal mobility program that facilitates cross-functional and global moves. These practices not only strengthen alignment across the organization but also provide employees with a transparent platform to express their feedback and aspirations.

2.3. CHANNELS AND MANAGEMENT OF CONCERNS

Maintaining psychological safety is essential to fostering a healthy, inclusive and responsible workplace. We are committed to a culture of openness and trust, where employees feel safe to speak up and raise concerns without fear of retaliation.

To support this, several channels are available. The SpeakUpLine, operated independently by Internal

Audit Team, is accessible 24/7 to both employees and external stakeholders. Staff can also turn to their direct manager, upper-level management, or the HR team. For more sensitive or personal matters, an external and confidential service offers a confidential and anonymous support platform.

3. MANAGING WORKFORCE IMPACTS: *OUR APPROACH AND ACTIONS*

3.1. WORKING CONDITIONS AND EMPLOYEE WELL-BEING

Ensuring a high quality of working life is a cornerstone of our social commitment and employer strategy. In an industry where precision, creativity, and long-term excellence depend on people, fostering a positive, balanced

and fulfilling working environment is seen as both a responsibility and a strategic advantage. Our approach to working conditions and employee well-being is therefore not limited to compliance or financial compen-

sation, it is part of a broader ambition to support every employee's personal and professional development.

A structured and competitive compensation and benefits framework is in place, including health insurance, reimbursement of commuting costs, and an attractive salary package aligned with market standards. A dedicated Wellbeing department coordinates a wide array of initiatives designed to promote resilience, motivation, and balance. This strategy is built around five core pillars: **mental, social, physical, financial, and work-life integration**.

The Wellbeing department's mission is to help employees thrive by offering accessible services tailored to individual needs. These initiatives aim to support teams through both everyday challenges and more intense periods, contributing to long-term satisfaction and engagement.

Key measures include remote options, medical coverage, support for sports and cultural activities, and practical



A company's success depends on the passion and commitment of its employees. By investing in their well-being, we are investing in our future.

services such as laundry or household assistance. Mental health is a priority, with training on stress and burnout prevention, as well as access to support through external partners.

Internal mobility is also encouraged through a clear policy on job transfers and career development, helping employees shape their own professional paths.



3.2. HEALTH & SAFETY

Health and safety are key to ensuring that each working environment, from the watchmaking workshops to our offices, enables people to work in safe and respectful conditions. We apply the same high standards of vigilance and care across all sites, aiming to prevent risks, support employees in their daily activities, and foster a strong culture of well-being.

Prevention and workplace safety

We have implemented a structured Occupational Health and Safety Management System, with reinforced measures in our manufactures, where operational risks are higher. This system is coordinated by a team of certified specialists based on-site, dedicated to fostering a culture of prevention, responsiveness, and support.

Risks are identified through formal assessments and by encouraging employees and managers to report concerns directly to the Health & Safety team. All inputs are reviewed during biannual Health & Safety Committee meetings, which evaluate reported incidents, improvement opportunities, and upcoming awareness campaigns to ensure continuous progress.

Special attention is given to at-risk employee groups, including individuals over 50 and pregnant women, with adapted working conditions implemented to ensure their health, safety, and continued inclusion. Ergonomic adaptations are also made available across both production and office environments. A monitoring process is in place to review materials and substances used in manufacturing and after-sales activities, aiming to eliminate exposure to hazardous components.

Emergency readiness and safety culture

To ensure emergency preparedness, a network of 66 trained volunteer responders is active across all sites. Periodic simulation drills are organised to strengthen readiness and coordination. In Switzerland,

all employees receive a “Safety Passport” summarising key protocols and reinforcing good practices. Access to sensitive areas is restricted through an accreditation process overseen by local HR teams, which covers safety briefings and formal authorisations.

Health and safety are also embedded in technical training. Watchmakers receive instruction from senior professionals who not only transmit *savoir-faire* but also promote safe working habits. Regular team meetings provide a space for open dialogue and operational feedback. Safety concerns raised in these meetings are systematically reported to the Health & Safety team for review and follow-up.



3.3. TRAINING, UPSKILLING AND TRANSMISSION OF SAVOIR-FAIRE

Preserving our *savoir-faire* is essential to ensuring the continued excellence and innovation of the Swiss Haute Horlogerie industry, of which we are a proud member. Apprenticeships play a vital role in transmitting skills and expertise from one generation to the next, nurturing the watchmakers, engineers, and artisans who will shape our future. Our Innovation Labs, the brand's dedicated research and development centres, provide a platform for creativity and experimentation, blending traditional craftsmanship with cutting-edge technology to push the boundaries of watchmaking. Mobility within the company and across disciplines further enriches our *savoir-faire*, allowing employees to broaden their skills, share knowledge, and develop a holistic understanding of our craft. Together, these initiatives not only preserve but also elevate our heritage, ensuring it thrives in a rapidly changing world.

From the watchmakers shaping the heart of our creations to colleagues across support functions, all employees are encouraged to deepen their knowledge, broaden their perspectives and explore new opportunities for growth. Apprenticeships, technical training

and internal mobility contribute to a vibrant learning ecosystem where *savoir-faire* is continuously enriched and reimagined. At the same time, dedicated development programmes ensure that employees across all roles and seniorities can grow in line with their aspirations and the Group's long-term vision.

Preserving and transmitting horological *savoir-faire*

At the heart of the Manufacture, the transmission of *savoir-faire* is a living process guided by experienced artisans. Watchmakers undergo extensive hands-on training under the supervision of senior experts to master each stage of assembly, finishing and adjustment. This ensures not only technical precision but also the continuity of gestures and inherited knowledge that define *Haute Horlogerie*.

Mentorship and intergenerational learning are central to this approach. They foster a shared culture of excellence while enabling new generations to contribute meaningfully to the evolution of the craft. Beyond watchmaking, this transmission also applies to métiers such as polishing, gem-setting and casing— key skills in the creation of *Haute Horlogerie* and Joaillerie timepieces.

To sustain this heritage and embrace future challenges, Audemars Piguet is gradually integrating new tools and technologies, blending artisanal mastery with technical innovation.

Supporting learning and development across the organisation

In parallel, we ensure that all employees, whether in production, administration, retail or corporate functions, have access to development opportunities aligned with their roles and aspirations. Through the AP Academy Service, employees can enroll in training courses covering leadership, languages, sustainability, digital tools and more.

First-line managers are given specific support through tailored leadership programmes that reflect the realities of their day-to-day responsibilities. In response to the ongoing digital transformation, targeted upskilling initiatives are also in place to help all employees adapt and thrive in a rapidly evolving environment.





3.4. DIVERSITY, EQUITY & INCLUSION

Fostering a diverse, equitable and inclusive workplace is an essential part of our people-first approach to sustainability. It reflects a broader ambition: to create an environment where everyone can thrive, develop their potential and contribute meaningfully to our collective success.

Training and awareness-raising sessions on topics such as psychological safety, unconscious bias and inclusive leadership have been rolled out to both managers and members of staff. These efforts aim to foster a respectful culture where collaborators feel safe to express themselves, share ideas, and take initiative without fear of judgment.

Inclusivity is progressively embedded into key HR processes, including succession planning, performance evaluation and career development.

Entreprise Partenaire in 2024

We are proud to announce that Audemars Piguet has received the prestigious “Entreprise Partenaire” certification, awarded by the Invalidity Insurance Office of the Canton of Vaud (Switzerland). This recognition reflects our ongoing commitment to training, employment, and the integration of people with disabilities.

It highlights our dedication to offering professional development opportunities, supporting access to the labour market, and creating an inclusive work environment. We work in close collaboration with AI Vaud to support professional reintegration initiatives and actively contribute to social inclusion.

This label stands as a testament to our long-term commitment to social responsibility and inclusion. We will continue to work towards a future where everyone has the opportunity to thrive professionally, regardless of personal challenges.

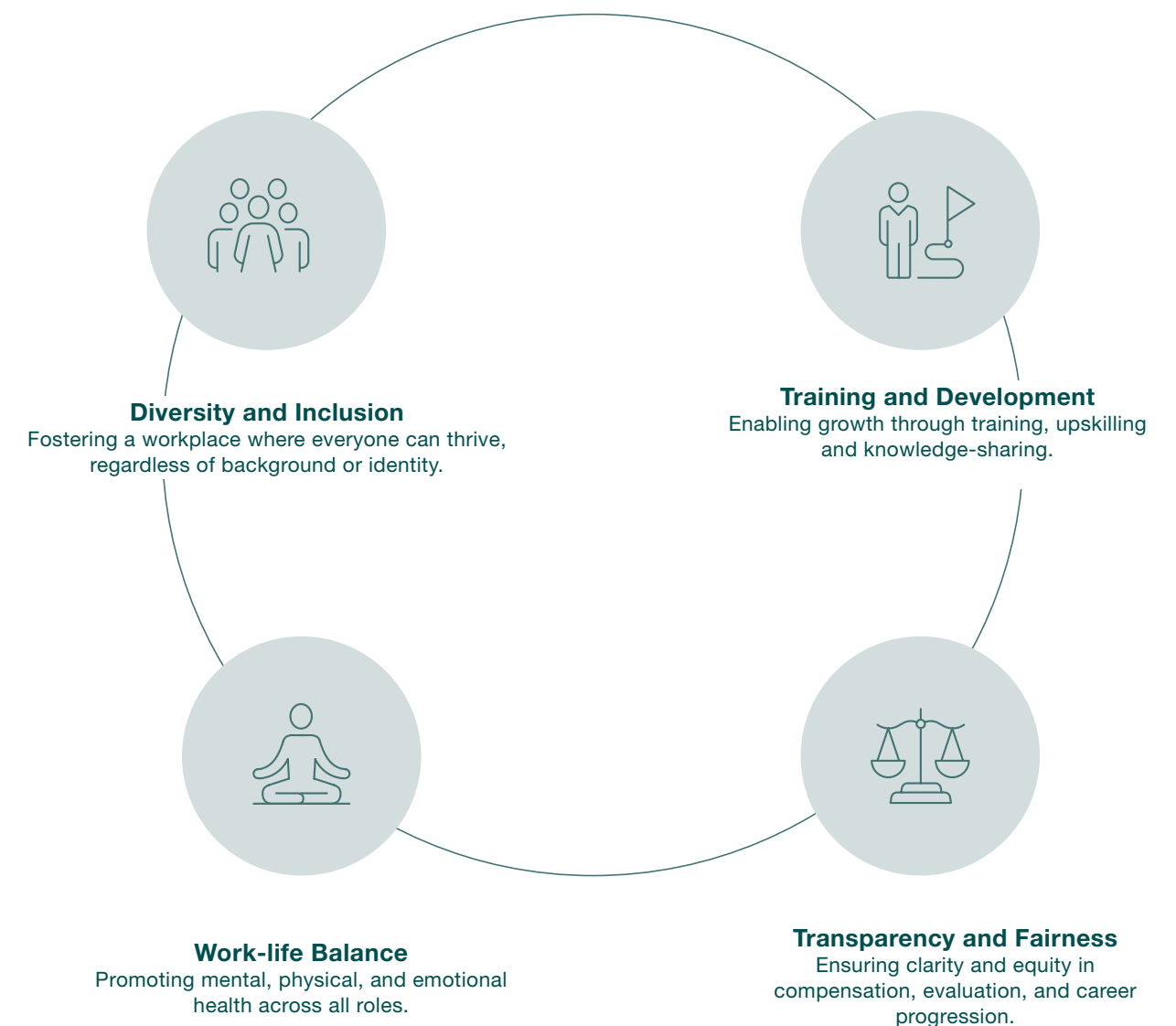
4. STRATEGIC PRIORITIES FOR OUR COLLABORATORS

We have identified a number of strategic priorities to guide our human resources agenda. These priorities aim to promote well-being, encourage diversity and inclusion, and strengthen skills development across the manufacture.

Each priority is supported by specific performance indicators, which are presented in the subsequent sections of this report. Progress in these areas is regularly moni-

tored and integrated into ESG governance processes. Performance is reviewed by Human Resources on an ongoing basis and discussed with the relevant governance bodies. A standardised HR calendar has been introduced to ensure alignment and consistency in the evaluation and review process across all business units.

Employee feedback and internal dialogue also play an important role in identifying areas for improvement.



5. CHARACTERISTICS OF OUR COLLABORATORS

As of December 31, 2024, Audemars Piguet employed 2,959 people worldwide (headcount), including both permanent and temporary employees. These figures include interim workers and reflect the workforce status at the close of the reporting period. The data is presented in headcount and was compiled using a methodology based on year-end actuals rather than full-year averages. We continue to promote gender diversity and inclusion across all job functions and levels.

The workforce data reported here is based on the headcount at the end of the reporting period (December 31, 2024). All figures have been compiled centrally based on internal HR systems.

Employees breakdown by gender and contract type

2024		
Number of permanent employees	Female	1250
	Male	1531
	Not disclosed*	4
	Total	2785
Number of temporary employees	Female	77
	Male	95
	Not disclosed*	2
	Total	174

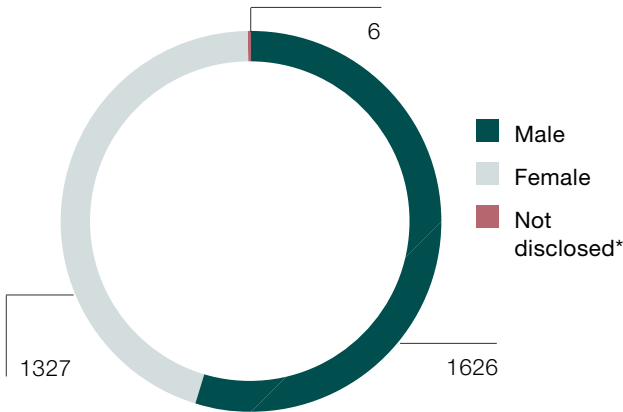
*includes employees who do not identify as male or female, or who prefer not to specify.

10.6%
Turnover

44.8%
Of women worldwide

2,959
Employees worldwide

Number of employees by gender in 2024



Employees breakdown by region and contract type

	America	Europe, Lebanon & Israel	Middle East	South East Asia	Greater China Region	Japan & Korea
Number of permanent employees	210	1979	49	121	291	135
Number of temporary employees	12	132	1	0	11	18
Total	222	2111	50	121	302	153

5.1. DIVERSITY METRICS

We see diversity as a driver of creativity, innovation and long-term performance. This commitment extends across all functions, geographies and levels of responsibility. In 2024, we developed and validated our two-year Inclusivity roadmap with the Board of Directors. Diversity indicators are monitored regularly to support informed decision-making and to promote a culture of equity and inclusion.

Gender diversity in top management

In 2024, we continued to strengthen gender representation at the highest levels of leadership. The company defines top management as including both the Executive Leadership Team (ELT) and senior management roles such as regional chiefs, country managers and directors.

As part of their strategic importance, these senior roles are subject to an annual remuneration review by the Board of Directors. We promote gender diversity in leadership through inclusive succession planning, equal opportunity in promotion processes and targeted talent development programmes.

Age diversity

We maintain a balanced age structure across our employees, fostering intergenerational collaboration and continuity. Our workforce includes early-career professionals, mid-career experts, and senior employees who contribute to the preservation and transmission of our *savoir-faire*.

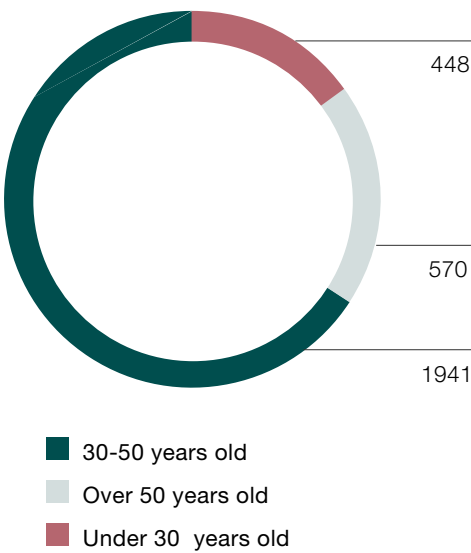
Beyond gender and age, we continue to develop our approach to other forms of diversity, including disability inclusion, cultural background and international representation. In 2024, partnerships with public institutions and civil society were strengthened to promote access to employment for underrepresented groups.

Top management gender distribution

2024	
Female	11
Male	41
Not disclosed	0
Total	52

21%
Of women in top management

Age diversity (2024)





6. FAIR AND ADEQUATE *COMPENSATION*

All our collaborators receive wages that meet or exceed legal requirements and are aligned with local industry standards. Where benchmarks fall short of ensuring a decent standard of living, we apply more ambitious internal references. This reflects our commitment to fair, respectful and motivating working conditions.

We are committed to ensuring pay equity across the company. Our last equal pay analysis was conducted in Switzerland in 2021, leading to official certification. Going forward, we plan to continue assessing both adjusted and non-adjusted gender pay gaps, using internationally recognised methodologies and aiming for third-party gender pay equity certification in the future. This will allow us to identify any unexplained disparities and take targeted corrective measures. Our ambition remains clear: to foster a workplace where compensation is fair, inclusive, and reflective of each individual's contribution.

7. COLLECTIVE BARGAINING COVERAGE *AND SOCIAL DIALOGUE*

We are currently consolidating data on collective bargaining coverage across all our subsidiaries to build a comprehensive group-wide overview.

In Switzerland, where the majority of employees are based, 100% of staff are covered by a collective bargaining agreement. This agreement, the *Convention Collective de Travail de l'Industrie Horlogère Suisse*, ensures that working conditions, employee rights and

social protections are formally negotiated in partnership with recognised employee representatives.

In parallel, HR teams are actively collecting information across our operations to assess the presence and scope of similar agreements. Where no formal agreements currently exist, local teams are exploring appropriate frameworks to foster constructive and transparent social dialogue in line with our values.

100%

Of employees in Switzerland are covered
by collective bargaining agreement

8. TRAINING & *DEVELOPMENT METRICS*

Continuous learning is a key pillar of our approach to people development. The figures below reflect group-wide data, covering all employees across our global operations. In 2024, 96% of employees took part in performance and career development reviews. These moments are essential for setting clear goals and aligning personal growth with the company's long-term vision.

On average, collaborators completed 22 hours of training during the year, reflecting a variety of formats, from

technical workshops to leadership and cross-functional skills development. These opportunities support internal mobility and help prepare teams for evolving skill needs.

The learning offer combines digital platforms, classroom sessions and mentoring, ensuring an accessible and personalised experience for all. This approach helps sustain excellence in technical métiers such as watchmaking, while fostering agility and long-term employability across the organisation.

96%

Employees (global) participated in regular
performance and career development reviews

22 HOURS

of average training per employee
(global)



9. HEALTH & SAFETY METRICS

We maintain a rigorous and comprehensive approach to occupational health and safety, ensuring that **100%** of our employees are covered by a health and safety management system, either in line with legal requirements or recognised international standards.

This commitment translates into consistent monitoring, prevention, and awareness efforts across all sites. As a result, in Switzerland, we are ranked among the top half of watchmaking companies with the lowest accident rates, reflecting the effectiveness of our safety culture and continuous improvement practices.

Number of fatalities and accidents due to work-related accidents and illnesses in Switzerland

	2024
Percentage of own workers who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines	100%
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0
Number of recordable work-related accidents for own workforce	11
Non-occupational accidents	109

10. WORK-LIFE BALANCE METRICS

We are committed to supporting a healthy work-life balance for our employees, recognising that personal well-being is essential for long-term engagement and performance. This includes access to family-related leave, flexible working options, and a broader set of supportive HR policies.

In 2024, 100% of employees based in Switzerland were entitled to family-related leave, in accordance with national social policies and collective bargaining agreements. This entitlement covers a wide range of circumstances, including maternity and paternity leave, leave to care for sick children or relatives, bereavement leave, and marriage leave.

Among eligible employees in Switzerland, 28% of women and 25% of men made use of family-related leave during the year.

While these statistics currently cover only the Swiss workforce due to the geographic scope of the tracking system in place, the Group is actively exploring ways to extend this level of monitoring and transparency to other countries where it operates.

Employees that took family-related leave broken down by gender

GENDER	2024
Female	28%
Male	25%
Others	0%
Total	26.4%

11. COMPLAINTS & INCIDENTS

We maintain a strong commitment to protecting the dignity, health, and rights of all individuals within our workforce. In 2024, two incidents of discrimination were recorded. These cases were addressed in accordance with internal procedures and policies, ensuring timely review and appropriate follow-up.

No complaints were filed through formal grievance channels such as the SpeakupLine, nor were any cases referred to National Contact Points for OECD Multinational Enterprises.

Similarly, no fines, penalties, or compensation for damages were issued or paid in connection with human rights or discrimination-related violations.

All complaints and incidents are recorded, reviewed, and addressed with a focus on confidentiality, psychological safety, and resolution. We continue to strengthen our internal monitoring and prevention frameworks to ensure a workplace culture that actively safeguards human rights and supports well-being.

Severe human rights issues and incidents connected to own workforce

	2024
Number of incidents of discrimination	2
Number of complaints filed through channels for people in the undertaking's own workforce to raise concerns	0
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0
Amount of fines, penalties, and compensation for damages as result of incidents of discrimination, including harassment and complaints filed	0

WORKERS IN THE VALUE CHAIN *AND OUR COMMUNITIES*

1. RECOGNISING OUR IMPACTS ON VALUE CHAIN WORKERS *AND OUR COMMUNITIES*

Responsibility extends well beyond our own operations. Workers in the supply chain and communities connected to sourcing activities — whether in Switzerland or abroad — are essential to the way our timepieces are created, assembled and delivered. Their well-being, rights and working conditions are closely tied to our business model and values.

We have therefore adopted a structured approach to identifying and assessing actual and potential impacts.

This includes social and environmental risks linked to upstream activities such as mining, raw material processing and sourcing from CAHRA regions.

WORKERS IN THE VALUE CHAIN

In certain regions, workers involved in the extraction of gold, diamonds, and coloured gemstones face elevated risks. These include exposure to child labour, forced labour, unsafe conditions, low wages, and limited social

protections. These risks are often concentrated in countries where regulatory frameworks are weaker or poorly enforced.

To better understand these challenges, we conduct risk mapping based on material type, activity (e.g. mining), and geography. This is complemented by supplier assessments, audits, traceability efforts, and partnerships with specialised NGOs and responsible sourcing initiatives.

AFFECTED COMMUNITIES

Local communities may be impacted in different ways, whether through land use, water and air pollution, lack of benefit sharing, or social tensions linked to industrial activity. In Switzerland, we are deeply embedded in the Vallée de Joux, where our presence has shaped the local economy. Abroad, we work with partners such as Swiss Better Gold and PX Impact to improve conditions in gold sourcing regions, and to support environmental and social progress.

2. POLICIES RELATED TO WORKERS IN THE VALUE CHAIN *AND AFFECTED COMMUNITIES*

To protect the rights of workers in our value chain and support the well-being of communities where we source, we have built a comprehensive policy framework. This framework is guided by international standards and reflects our long-standing commitment to responsible sourcing.

SUPPLIER CODE OF CONDUCT

In 2024, we introduced a major change in our supplier governance framework by replacing the former Sustainable Development Charter with a comprehensive Supplier Code of Conduct. This new policy sets clear expectations for ethical, social, and environmental performance across the supply chain. It aligns with leading frameworks such as the UN Guiding Principles on Business and Human Rights, the OECD Due Diligence Guidance, and ILO conventions. It covers key topics including respect for human rights and labour standards, the prohibition of child and forced labour, freedom of association, fair wages, working hours, health and safety, as well as environmental responsibility and traceability.

As for our own collaborators, we aim to provide employees in the value chain with adequate wages, decent working conditions, freedom of association, no child or forced labour, secure employment, health and safety, and a working environment where workers are free to express their views and concerns.

All suppliers are required to implement their own due diligence processes, particularly when operating in high-risk contexts. We reserve the right to conduct audits, either internally or via trusted third parties, to verify compliance. Support is also provided to help suppliers build capacity and improve practices over time.

The Supplier Code of Conduct and our approach to supplier engagement are further detailed in the Governance chapter of this report.

HUMAN RIGHTS AND DUE DILIGENCE GOVERNANCE

Our approach to human rights is currently being consolidated in a dedicated Human Rights Policy, which will be published in 2025, and is supported by a robust governance structure already in place. A Due Diligence Steering Committee, composed of experts from ESG, Legal, Procurement and Compliance, oversees the strategy. It is supported by an operational task force, which in 2024 updated our risk-based procedures to cover a broader range of materials and sourcing geographies.

We also comply with regional regulations such as the Swiss Ordinance on Due Diligence and Transparency (DDTrO) and maintain alignment with voluntary frameworks including the RJC Code of Practices.



3. ENGAGEMENT AND GRIEVANCE PROCESSES *FOR VALUE CHAIN WORKERS AND AFFECTED COMMUNITIES*

Engaging with value chain workers and affected communities is essential to ensuring that our due diligence is grounded in reality and contributes to lasting, positive outcomes. While the specific characteristics of our activities often limit direct dialogue with these stakeholders, we rely on a network of expert partners, NGOs and third-party providers to build trusted, informed engagement channels.

LISTENING TO VALUE CHAIN WORKERS

In high-risk contexts, engagement with workers is mostly indirect and conducted through audits, third-party assessments, and collaborative fieldwork. On-site visits by external auditors are complemented by interviews, documentation reviews, expert dialogue, and environmental or social risk analyses. These inputs are crucial to identifying potential violations – such as excessive working hours, child labour or unsafe conditions – particularly in sectors like coloured gemstone mining. We also collaborate with initiatives like Swiss Better Gold to reach artisanal miners and ensure a better understanding of working conditions on the ground for the sourcing of gold.

Insights gathered through these channels feed directly into our supplier assessments, escalation processes, and corrective actions. They are reviewed and followed up by the Due Diligence Committee, which ensures alignment with our risk priorities and ESG commitments.

ENGAGING WITH AFFECTED COMMUNITIES

Our engagement approach with affected communities varies depending on context. In Switzerland, formal consultations are held during major site developments, with transparent information-sharing and dialogue with local residents. Internationally, we partner with NGOs and civil society organisations to ensure inclusive consultation and impact analysis, particularly near mining sites or sensitive ecosystems.

The Audemars Piguet Foundations play a key role in building bridges with local communities. their long-

standing involvement in environmental, educational and social programmes contributes to deeper understanding and more effective engagement. Feedback collected through these channels helps us adapt projects, define mitigation measures, and build more resilient partnerships over time.

GRIEVANCE MECHANISMS

To support transparency and access to remediation, our SpeakUpLine is accessible to all stakeholders — including value chain workers and communities — via our internet website among others. This independent and multilingual platform allows confidential reporting of concerns related to human rights, labour conditions or environmental harm. Reports can be submitted anonymously and are handled by our Internal Audit team, under the supervision of the Audit Committee.

The existence of this mechanism is also included in our Supplier Code of Conduct, which requires business partners to establish their own whistleblowing channels. More detail on our grievance system is available in the Governance chapter of this report.



Engaging with value chain workers and affected communities is essential to ensuring that our due diligence is grounded in reality and contributes to lasting, positive outcomes.

4. TAKING ACTION TO ADDRESS IMPACTS ON VALUE CHAIN WORKERS *AND AFFECTED COMMUNITIES*

Understanding risk is only the first step — acting on it is what makes the difference. Our due diligence work translates into concrete actions aimed at protecting workers' rights and improving the well-being of communities across our value chain.

IN THE VALUE CHAIN: FROM MAPPING RISKS TO DRIVING CHANGE

Our risk assessments, carried out over the past several years, have underlined the particular challenges associated with upstream sourcing of certain materials, such as diamonds and artisanal gold. These challenges may include exposure to human rights risks and unsafe working conditions, especially in geographies where regulatory oversight is limited.

In response, we've deployed a structured action plan combining traceability, supplier engagement and third-party auditing. As of 2024, 98% of our Tier 1 and Tier 2* suppliers are based in Switzerland.

All our diamond and coloured gemstone supply chains have been audited, and we aim to keep our sourcing channels as short as possible to strengthen ESG oversight and traceability.

When a supplier falls short of our standards, we prioritise dialogue and improvement. However, we do not hesitate to take decisive action — including suspending a supplier or removing a specific material from our procurement if needed. This approach is overseen by our Due Diligence Committee, which meets every six weeks to evaluate findings and adjust our strategy.

We also support field-level initiatives that aim to create systemic change. Our involvement in Swiss Better Gold, for instance, helps improve livelihoods in artisanal mining communities while supporting responsible extraction practices. Other actions include capacity-building, remediation efforts, and support for local governance.

SUPPORTING AFFECTED COMMUNITIES

Our responsibility extends to communities impacted by our operations and sourcing activities, both locally and abroad.

In Switzerland, we maintain strong links with our region of origin, contributing to the vitality of the Vallée de Joux through local partnerships and employee-led initiatives. Internationally, we collaborate with civil society organisations and multi-stakeholder programmes to support education, environmental protection and social inclusion in sourcing regions.

These efforts are largely channelled through the Audemars Piguet Foundations, which receive annual funding equivalent to 2% of the Group's turnover, a commitment formally endorsed by the Board of Directors in 2023. Their mission is to support resilient, inclusive communities and to amplify the positive impact of our business beyond our core activities.

Remedial measures are activated whenever a material impact is identified. Depending on the context, these may include development programmes, compensation schemes, or environmental restoration efforts, always developed in consultation with affected stakeholders.

* Tier 1 suppliers deliver products or services directly to Audemars Piguet, while Tier 2 suppliers provide goods or services to Tier 1 suppliers.



5. STRATEGIC GOALS FOR POSITIVE IMPACT

Our ambition is clear: to deepen our understanding of the value chain, strengthen our positive impact, and ensure that the people and communities behind our materials are treated with dignity and respect.

Between now and 2030, our roadmap includes the following priorities:

Shared standards: Build convergence across the watchmaking sector by co-developing a shared Suppliers Code of Conduct (from 2024), aligned with best-in-class international expectations.

Monitoring coverage: Ensure that a 100 of our suppliers are covered by the Swiss Triple Impact programme (STI) by 2026, reinforcing traceability and ESG monitoring capabilities.

Deeper transparency: Extend our mapping of the supply chain to Tier 3 for all materials by 2027, except those already under enhanced due diligence.

Traceability ambition: Reach 90% traceability of the mining areas linked to our raw materials by 2030.

These milestones will be supported by continued investment in supplier relationships, collaborative field initiatives, and data systems to ensure transparency and accountability at each step.

Ultimately, our goal is not only to minimise risk, but to build a value chain that reflects our commitments.

Our goal is not only to minimise risk, but to build a value chain that reflects our values.

2020

Launch of the Supplier Sustainability Charter, setting ESG expectations and laying the groundwork for long-term partnerships with key suppliers

2022

Introduction of the Swiss Triple Impact (STI) programme to support supplier engagement

2024

Adoption of a shared Code of Conduct by multiple luxury watchmaking brands to harmonise expectations across the sector

2026

Full (100%) coverage of direct suppliers through the ITS (Internal Traceability System) programme to enhance monitoring and accountability

2027

Comprehensive mapping of the supply chain up to Tier 3 suppliers, with the exception of already-identified sensitive materials

2030

Achieve 90% traceability of mining origins for all materials purchased, reinforcing transparency and responsible sourcing efforts



CONSUMERS *AND END-USERS*

1. POLICIES AND COMMITMENTS RELATED *TO CONSUMERS AND END-USERS*

Our relationship with our clients is guided by a deep sense of respect, excellence and integrity. While a group-wide consumer policy has not yet been formalised, a number of structured principles, commitments and systems are in place to govern how relationships with clients are initiated, developed and maintained.

QUALITY, EXPERIENCE AND INCLUSION

We have always been committed to offering clients remarkable works of design and mastery that meet the highest standards of quality. Each movement and each timepiece is assembled and adorned with *Haute Horlogerie* refinements down to the slightest detail. This level of *savoir-faire* requires both specialised skills and time for manufacturing and finishing.

Within this context, we seek to provide a consistent, high-quality experience across all points of contact, from boutiques to service centres and digital platforms. This includes rigorous training of commercial teams, continuous monitoring of customer satisfaction, and strict compliance with regulatory requirements such as Know Your Customer (KYC) and Anti-Money Laundering (AML) obligations.

Our approach to customer relationships is guided by our core values — forward-thinking, uncompromising and free-spirited — which translate into the following principles:

- **Exclusivity**, as a defining element of the customer experience, reinforcing the brand's identity and the uniqueness of each interaction;
- **Hospitality and transmission**, with an emphasis on sharing a passion for fine watchmaking and creating meaningful, lasting connections with clients;
- **Integrity and risk prevention**, particularly through a rigorous Know Your Customer process designed

to prevent speculative behaviours that may harm long-term brand value;

- **Inclusivity**, by embracing a customer segmentation strategy that seeks to better understand and meet the expectations of emerging consumer groups, including younger generations, women, and international clients.

DATA PRIVACY AND PERSONAL INFORMATION PROTECTION

Protecting the privacy of clients is a fundamental commitment at Audemars Piguet. We have implemented a comprehensive Personal Data Processing Regulation, aligned with the General Data Protection Regulation (GDPR) and other international standards.

This internal policy applies to all entities and governs how personal data is collected, used, protected and, where appropriate, shared. It ensures that data is processed lawfully, for specific and legitimate purposes, with appropriate security measures in place. Clients have the right to access, correct or delete their data, and to oppose its use in line with applicable regulations. Requests are handled through a dedicated process managed by the Master Data Manager.

We take all reasonable technical and organisational measures to protect personal data against unauthorised access, misuse, loss or cyber-attacks. In 2022, we launched Invictus, a three-year cybersecurity programme designed to strengthen our cyberdefence capabilities and mitigate the risk of external threats. This initiative also includes support for selected suppliers to enhance their own data protection practices, in line with our commitment to safeguarding information across the value chain..



2. ENGAGEMENT AND FEEDBACK MECHANISMS *FOR CONSUMERS AND END-USERS*

We place the client at the centre of our mission — not only as a purchaser, but as a long-term partner. From the first point of contact to post-purchase services, we aim to cultivate relationships grounded in trust, respect, and excellence. This vision translates into structured and evolving processes that support both engagement and complaint handling throughout the customer journey.

ENGAGING WITH CLIENTS THROUGHOUT THE CUSTOMER JOURNEY

Over the years, we have built a direct and privileged connection with end clients. A deliberately limited annual production, tied to the high level of craftsmanship and finishing required for each timepiece, naturally dictates the size of the distribution network, allowing for a carefully curated client experience.

The relationship often begins through a selective onboarding process, guided by criteria jointly developed by the Retail, Compliance and Executive teams. This ensures that every new connection reflects the brand's values and long-term vision.

In points of sales, clients are welcomed into immersive spaces where they can explore the world of *Haute Horlogerie*. These encounters are designed to foster engagement and dialogue, with a strong focus on education and transmission.

Work is currently underway to bring these practices together into a unified “Customer Journey” framework. While still being formalised, this initiative aims to harmonise client-facing processes across departments, ensuring coherence, responsiveness and continuous improvement at every stage of the relationship.

ADDRESSING CONCERNS WITH CARE AND CONSISTENCY

To support our commitment to excellence, we have established dedicated structures for handling customer concerns, whether related to service, products, or experience. These include both a Customer Care Service and a specialised After-Sales Service.

Customer Care Service

In each of the brand's key markets, clients benefit from the support of a dedicated Customer Care Manager. These professionals handle a defined portfolio of clients, allowing for a personalised and consistent follow-up. Clients can raise concerns through several accessible channels, in-store, via email, by phone or by post. Each complaint is assessed in coordination with the relevant boutique, and where appropriate, a compensation process may be initiated.

The Customer Service Department is responsible for the longevity and reparability of all timepieces. With over 300 specialists across 13 in-house repair centres and twenty certified external centres worldwide, the Customer Service guarantees expert care for products at every stage of their life. Clients can access services through boutiques, authorised retailers, or directly via the website using their watch's serial number. The repair process is clear and structured, with quotations or fixed-price packages depending on the complexity and model. Even if there is no global after-sales policy, regional harmonisation ensures a consistently high standard across locations.

Logistics and transparency also play a role in reinforcing client trust. A secure third-party logistics partner manages the transport of watches, with real-time tracking systems offering full visibility to both the client and the brand during transfers and customs procedures.

Beyond resolving concerns, this contributes to a broader ambition: building long-term loyalty. Every sale is considered the beginning of an ongoing relationship, one that positions the client as part of the "AP family", supported and accompanied long after the first purchase. Through these services, we ensure that each product remains aligned with the brand's quality expectations, while strengthening the emotional bond that connects each client to the brand.

300
In-house experts

13
Internal repair centres





3. CLIENT EXPERIENCE: *ACTIONS AND OBJECTIVES*

In recent years, we have progressively shifted our business model to place even greater emphasis on long-term client relationships. This evolution reflects a broader commitment to responsible customer engagement — one rooted in trust, transparency and the protection of client interests across the full lifecycle of ownership.

As part of this approach, we have strengthened our ability to better understand and support clients through more personalised services and consistent points of contact.

DRIVING LONG-TERM CUSTOMER SATISFACTION AND LOYALTY

Our aim is to nurture lasting relationships with our clients by ensuring excellence at every stage of the customer journey — from discovery to long-term ownership. Key objectives include maintaining high levels of satisfaction, preserving trust through personalised support, and ensuring full lifecycle quality for each timepiece.

To support this ambition, we invest in the continuous training of our teams — not only on product knowledge and innovation, but also on hospitality and relationship building. Masterclasses at our headquarters and immersive boutique experiences help strengthen emotional engagement and cultural resonance. A key objective is to foster brand loyalty while deepening the sense of belonging among our varied client communities.

EXPANDING REACH WHILE PRESERVING AUTHENTICITY

In parallel, we are committed to expanding our visibility and relevance among emerging client segments

— including younger generations, women and international customers — while preserving our core values and artisanal identity. This includes improving inclusivity, ensuring fair access to products, and offering education on *Haute Horlogerie* to new audiences.

The expansion of AP Houses supports this ambition by offering cultural and community spaces where clients can connect more deeply with the brand's history, *savoir-faire*, values and ESG ambitions.

Performance is monitored using qualitative and indirect indicators, including satisfaction feedback, loyalty levels and our ability to attract and retain a broadening client base. These insights guide ongoing improvements and help translate long-term ambitions into tangible outcomes.

**DELIVER EXCEPTIONAL
AND CONSISTENT CLIENT
SATISFACTION**

**EXPAND ENGAGEMENT
WITH EMERGING CLIENT
SEGMENTS**

**STRENGTHEN
EMOTIONAL AND
CULTURAL CONNECTIONS
TO THE BRAND**



05

GOVERNANCE

BUSINESS CONDUCT

1. BUSINESS CONDUCT POLICIES *AND CORPORATE CULTURE*

Business Ethics are at the heart of our governance framework, establishing clear expectations for fair and responsible practices through our entire value chain. We are implementing an ethical corporate policy that will bring together several existing elements of our commitment to ethical practices across all our operations. Our Responsible Jewellery Council certification and our memberships in initiatives such as Swiss Better Gold among others, further align our standards with global best practices.

We actively involve our partner suppliers to foster collaboration and ensure that all stakeholders are aligned with the company's commitment to responsible practices and continuous improvement.

1.1. CORPORATE CULTURE AT AUDEMARS PIGUET

We promote a corporate culture based on integrity, respect and responsibility. This commitment is formalised in the Group's Professional Code of Ethics, which sets out the core values and behavioural principles expected of all employees in the course of their professional activities.

The Code of Ethics, endorsed by the Board of Directors, applies to all employees of our Group, including senior management, temporary staff and consultants. It is provided to all new hires during onboarding, available in nine different languages, and accessible at any time via the internal intranet. It forms an annex to the company's internal rules.

Each employee is responsible for understanding and applying the Professional Code of Ethics. We expect all employees to act with integrity and honesty, to demonstrate exemplary behaviour and attitude, and to comply with the laws, rules and procedures in force within the company.

Code of Ethics

This reference document defines our core commitments to responsible business conduct. It affirms the respect

for fundamental labour rights, in line with the principles established by the International Labour Organization (ILO), including freedom of association, the elimination of forced and child labour, and the elimination of discrimination in employment and occupation. It also promotes equal opportunities, the development of talent, and emphasises the importance of health and safety in the workplace. Furthermore, it addresses integrity in business relationships, the protection of personal data, and intellectual property rights.

The Code also covers issues such as conflicts of interest, unfair competition, corruption, money laundering, and fraud. A dedicated policy addressing these matters is presented in the relevant section of this report. Beyond internal conduct, the Code defines the expected behaviour towards clients, partners, and other external stakeholders. Any breach of these principles may lead to disciplinary measures.

In addition, a Suppliers Code of Conduct applies to our suppliers and supply chain partners, outlining our ethical expectations across the value chain. This Code is presented in Section 3 of the current Governance chapter.

Reporting mechanism

The Professional Code of Ethics also sets out the process for reporting inappropriate behaviour or violations of internal rules, along with the associated protections. It informs employees of the existence of a dedicated channel through which they can safely report concerns or ethical issues. This mechanism, known as the SpeakUp Line, is further detailed in the following section.

Awareness and engagement

We strengthen the promotion of our corporate culture through various internal initiatives. One highlight is the Panorama event, a cornerstone gathering at Audemars Piguet where employees come together to align on strategic vision, share key priorities, and reinforce the brand's "Family Mindset. In addition, regular updates shared on the intranet highlight our identity and long-term commitments. A dedicated e-learning module on the Professional Code of Ethics is also being developed and will be made available via the internal training platform, complementing existing awareness-raising initiatives.





1.2. PROTECTION OF WHISTLEBLOWERS

To ensure an ethical, transparent, and accountable environment, we have implemented an internal whistleblowing mechanism known as the SpeakUpLine. This platform allows any individual, whether internal or external to the company, to report, in a secure and confidential manner, any conduct or situation that may violate the Code of Ethics for employees. The mechanism is fully aligned with regulatory requirements, including Directive (EU) 2019/1937 on the protection of whistleblowers.

The SpeakUpLine — a secure, independant, and accessible mechanism — is available 24/7 via [Audemars Piguet's website](#), either through an online platform or by telephone hotline, with dedicated numbers for each country where we operate. The system is multilingual and guarantees user anonymity. It is accessible to employees, suppliers, partners, and all other external stakeholders.

The system is managed by an independent third-party provider specialising in whistleblowing solutions. This trusted intermediary is responsible for receiving reports, translating and anonymising them if needed. Only our Internal Audit department has access to these reports via a secure platform, ensuring confidentiality and the independence of the handling process.



The SpeakUp Line guarantees anonymity and is accessible 24/7 to all stakeholders, including employees, suppliers, and partners.

Structured and rigorous handling process

Once a report is received, it follows a three-step process: initial reception, preliminary assessment by the Internal Audit team, and, where necessary, a formal investigation. In the event of a critical allegation, Internal Audit conducts the investigation independently and prepares a comprehensive report. For less sensitive cases, other internal functions (such as Compliance or HR) may be involved, provided their independence is preserved. In all cases, Internal Audit supervises the process and issues a final report.

All our procedures are defined in a dedicated policy, approved by the Audit Committee and under the responsibility of the Head of Internal Audit.

Confidential and anonymous handling of reports

Reports submitted via the SpeakUp Line are treated with strict confidentiality and anonymity. Users receive a unique identification code and password, allowing them to track the status of their report securely.

Oversight and communication

The Audit Committee, which reports to the Board of Directors, is informed at each key stage of the alerts received. It receives regular reports on the status of alerts, the progress of investigations, and any corrective actions implemented. Updates on the system and any adjustments made are also provided during Board meetings.

To support awareness and engagement, we conduct regular internal communication campaigns, including newsletters, awareness sessions in subsidiaries, and briefings for managers. These initiatives aim to strengthen a culture of ethics, transparency, and accountability across the company.

2. PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

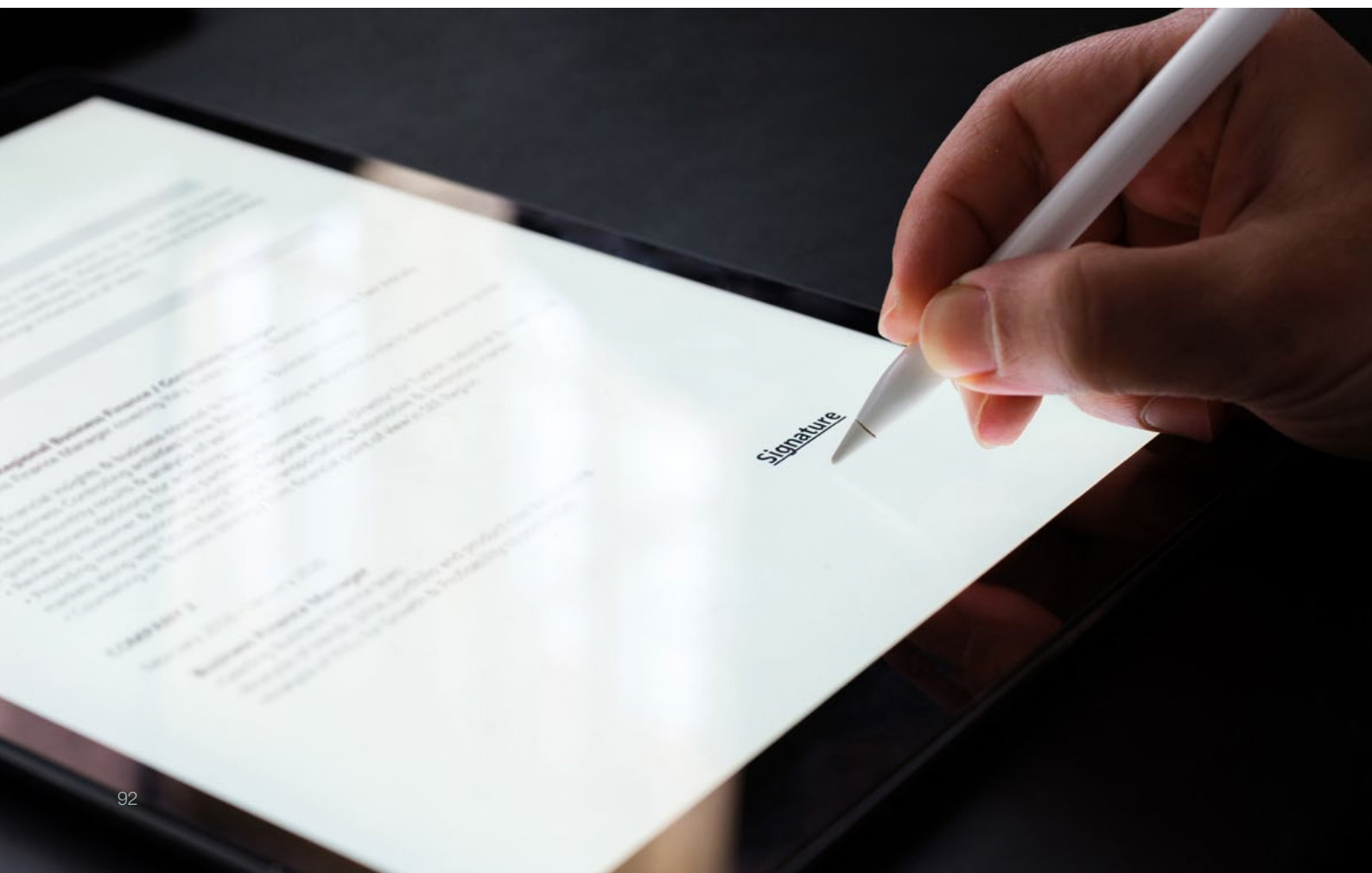
We ensure that our business activities are carried out in strict compliance with applicable laws and regulations. In addition to monitoring legal developments, we enforce internal standards that go beyond minimum legal requirements, particularly in regions where local enforcement may be more permissive. Fighting corruption and money laundering is a core component of business ethics and a legal obligation in many of the countries where we operate.

All entities and employees are assessed for corruption-related risk exposure. Audemars Piguet does not tolerate any breach of anti-corruption laws or internal policies. Clear guidelines, internal procedures and training programmes have been implemented to ensure prevention and early detection. These measures are monitored and regularly updated to remain effective and relevant.

We apply a strict zero-tolerance policy towards corruption and bribery, which is formalised in our internal Anti-Corruption Policy. This policy, managed by the Risk & Compliance department, is applicable to all employees and entities across the company. It is always accessible via the company intranet and complies with all applicable laws and regulations, including the OECD Anti-Bribery Convention and the legal frameworks of the countries in which Audemars Piguet operates.



We apply a strict zero-tolerance policy towards corruption and bribery.



2.1. POLICIES AND PROCEDURES

The policy clearly defines key principles and expected behaviours, including a zero-gift rule, and provides employees with a list of red flags to help identify and prevent potential risks. Certain functions are considered particularly exposed to corruption risks. These include retail teams, who interact directly with clients; procurement teams, who may be targeted during supplier selection; and managers, due to their role in contract negotiation. Other departments such as Risk, Compliance, Legal, Audit and Finance are also closely involved and receive tailored training.

Robust due diligence processes are in place for the onboarding of new suppliers, partners and clients. These processes aim to ensure alignment with our ethical standards and include the use of tools such as World Check to support Know Your Customer (KYC) procedures. Suspected or confirmed breaches of anti-corruption procedures may be reported confidentially through the SpeakUp Line, managed independently by Internal Audit. Investigations are conducted impartially, with results shared with the Audit Committee, which includes members of the Board of Directors. Where the reported concern involves a management function or reporting line directly concerned by the allegation, alternative oversight is established to preserve independence and impartiality throughout the investigation.

Retail-specific guidance is also provided through the "Retail Golden Rules", which outline appropriate behaviours and highlight corruption-related risks. These rules are communicated to all boutique staff and followed by discussions with Retail Excellence managers and Risk Management teams.



We collaborate with partners to set responsible industry standards, respecting human rights from mine to wrist.

122

training hours were delivered in 2023–2024 to at-risk roles across the company.

2.2. TRAINING AND COMMUNICATION

Training programmes play a central role in prevention. All new employees must complete mandatory anti-corruption and anti-money laundering (AML) training upon onboarding. Additional role-based training is delivered through the AP Academy and includes:

- E-learning modules, available at all times;
- Webex and on-site training, organised by the Risk & Compliance department;
- Practical case studies and role-specific content;
- Evaluations with an 80% minimum passing score required.

Dedicated anti-corruption sessions are provided to at-risk functions, including Legal, Compliance, Risk, Audit, Procurement, as well as Retail and Customer Service teams.

A major training campaign developed in 2023 and completed in 2024 resulted in full coverage of identified at-risk roles, with a total of 122 training hours delivered.

2.3. OVERSIGHT AND INCIDENTS

Internal audits covering anti-corruption topics are conducted across departments and subsidiaries. Their outcomes are presented to senior management and the Audit Committee for review and follow-up. The Anti-Corruption Policy and all related processes are regularly reviewed and updated in accordance with evolving legal requirements and best practices.

No confirmed cases of corruption or legal proceedings involving Audemars Piguet or its employees were reported during the reporting period. We ensure that our operations are conducted in full compliance with anti-corruption, anti-money laundering, anti-trust, and sanctions regulations. The company actively monitors regulatory developments and applies internal standards designed to ensure a high level of integrity and compliance on these matters.

3. SUPPLIER RELATIONSHIPS *AND PAYMENT PRACTICES*

Committed to ethical and secure supply chains, we collaborate with partners to set responsible industry standards, respecting human rights from mine to wrist. By setting and tracking goals, we make sustainability part of our culture, share responsibility, and drive continuous improvement in transparency and ethical practices. Respect for human rights is paramount, guiding our zero-tolerance approach to violations throughout our value chain. Our governance structure adheres to the United Nation (UN) Guiding Principles on Business and Human Rights and the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidance with transparent reporting on conflict minerals, child labour, forced labour and other human rights issues.

3.1. SUPPLIER ENGAGEMENT AND DUE DILIGENCE

We implement a robust supplier management framework rooted in quality, long-term collaboration, and increasing ESG integration. Supplier selection is guided by a structured risk assessment based on three primary criteria: geographic location, nature of materials used, and production methods. This approach enables the classification of suppliers by risk level and determines the need for certifications (e.g., Responsible Jewellery Council (RJC) for precious metals, Leather Working Group (LWG) and Association for Quality Assurance of Leather Bracelet (AQC) for leather) or on-site audits, particularly for high-risk suppliers outside the Organisation for Economic Co-operation and Development (OECD).

The company's requirements are also detailed in its Raw Materials Guidelines, which outline the expectations for sourcing practices and define specific standards for sensitive materials. This document complements the risk-based approach and helps ensure alignment across supplier tiers. For further detail on traceability and sourcing of materials, see chapter [E5 – Circular economy] of this report.

As part of our traceability efforts, we have established a clear 2030 objective to map and secure traceability by material and supplier tier, with a particular focus on gold, diamonds, coloured gemstones, and leather. Actions include reducing the number of intermediaries in the supply chain, implementing targeted audits, and requiring mandatory certifications from Tier 1 suppliers. A dedicated Due Diligence Committee meets regularly

to steer and monitor these practices. It oversees the implementation of improvement plans, especially where materials have been identified. This governance body draws on a comprehensive risk mapping by material and geography, covering 98% of Tier 1 and Tier 2 suppliers based in Switzerland.

For more information on working conditions and human rights risk management in the supply chain, see chapter [S2 – Workers in the Value Chain] of this report.

Field-level engagement includes frequent site visits, dialogue with NGOs, and participation in sector initiatives such as Swiss Better Gold. In case of identified non-compliance, we prioritise remediation and capacity-building over contract termination, aiming to promote long-term resilience, capacity building and shared standards.

3.2. SUPPLIER CODE OF CONDUCT

Proximity, trust, and collaboration are essential pillars of our approach to supplier relations. The company considers it a strategic priority to ensure that exemplary practices are not only applied internally but also extended across the supply chain. Working closely with suppliers is key to addressing systemic challenges, particularly in sensitive sourcing contexts, and to promoting the transmission of strong ethical, environmental, and social standards throughout the value chain.

Introduced in July 2024, the new Supplier Code of Conduct replaces the Sustainable Development Charter and reflects our alignment with leading international guidelines such as the United Nations Guiding Principles on

Business and Human Rights (UNGP), the International Labour Organization's (ILO), the Organisation for Economic Co-Operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the Responsible Jewellery Council's (RJC). It outlines clear expectations in three domains:

- **Governance:** We expect our suppliers to uphold high standards of business ethics, including respect for fundamental human rights and the prevention of corruption, conflicts of interest, money laundering, and illicit financing. Suppliers must implement effective whistleblowing channels, ensure responsible data handling, and demonstrate full compliance with applicable laws, international sanctions, and trade restrictions. They are also expected to contribute to the prevention of counterfeit risks and promote transparent and traceable supply chains;
- **Social:** ban on child and forced labour, freedom of association, fair wages, working hours, and health and safety standards;
- **Environmental:** GHG emissions reduction, energy and water management, waste reduction, chemical safety, and biodiversity conservation.

Although we do not have a specific animal welfare policy, this topic is covered in both the Suppliers Code of Conduct and the Raw Materials Guidelines, particularly for leather. Compliance with standards like LWG and AQC is required, ensuring responsible sourcing practices with regard to animal-based inputs.

Supplier Support and Monitoring

We actively support suppliers in implementing the Suppliers Code of Conduct by providing training, guidance materials, and promoting transparency and best practice sharing. We also conduct audits—directly or via third parties—to monitor adherence across the supply chain. These may be scheduled or unannounced, and suppliers are expected to fully cooperate. Audits cover key areas like human rights, anti-corruption, and responsible sourcing.

By the end of 2024, over 300 suppliers, accounting for more than 95% of procurement spend, had signed the Code. By 2025, all suppliers will endorse our Suppliers Code of Conduct, as a prerequisite for renewal or onboarding, which we have developed with other players in the industry, underscoring our commitment to a responsible and transparent supply chain.

3.3. PAYMENT PRACTICES

We do not have a dedicated policy on supplier payment terms. However, the standard practice, outlined in the company's General Terms and Conditions of Purchase, is to pay suppliers within 30 days from the date of invoice receipt. This approach is applied systematically across procurement operations and serves as the benchmark for evaluating payment performance. The average number of days to pay an invoice is calculated from the date on which the contractual or statutory payment term begins, typically upon invoice reception.

	2024
Outstanding legal proceedings for late payments	0
Percentage of our payments aligned with the standard payment "practice"	64.7%
Average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated	28.7 days



06

APPENDIX

DISCLOSURE REQUIREMENTS IN ESRS COVERED
BY THE UNDERTAKING’S SUSTAINABILITY STATEMENT

GENERAL INFORMATION

ESRS 2	General information	Corresponding GRI Standards	Page(s)
BP-1	General basis for preparation of sustainability statements	GRI 2-22; GRI 3-1	10
BP-2	Disclosures in relation to specific circumstances	GRI 2-4; GRI 2-22; GRI 3-2; GRI 3-22	10
GOV-1	The role of the administrative, management and supervisory bodies	GRI 2-9; GRI 2-12; GRI 2-13; GRI 2-17; GRI 405	16-19
GOV-2	Information provided and not add sustainability matters addressed	GRI 2-12; GRI 2-13; GRI 2-16; GRI 2-24	19
GOV-3	Integration of sustainability-related performance in incentive schemes	RGI 2-19; GRI 2-20	17
GOV-4	Due diligence statement		21
GOV-5	Risk management and internal controls over sustainability information		20
SBM-1	Strategy, business model and value chain	GRI 2-6; GRI 2-7; GRI 2-22; GRI 201; GRI 101; GRI 3-3	14-15, 22-23, 28-29
SBM-2	Interests and views of stakeholders	GRI 2-29; GRI 2-12	24,25,34,35
SBM-3	Material impacts, risks and opportunities and their relationship to strategy and business model	GRI 2-27; GRI 3-2; GRI 201-2; GRI 306-1; GRI 3-3; GRI 303-1; GRI 308-2; GRI 413-2; GRI 414-2	28-33
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	GRI 3-1; GRI 2-14	26,27,34,35
IRO-2	Disclosure Requirements in ESRS covered by the undertaking’s sustainability statement		98-103

ENVIRONMENTAL INFORMATION

ESRS E1	Climat change	Corresponding GRI Standards	Page(s)
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	GRI 2-19	16
E1-1	Transition plan for climate change mitigation		38,39
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	GRI 201	28-30
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to climate		26,27,34,35
E1-2	Policies related to climate change mitigation and adaptation	GRI 3-3	40
E1-3	Actions and resources related to climate change policies	GRI 201; GRI 3-3; GRI 305	40-42
E1-4	Targets related to climate change mitigation and adaptation	GRI 3-3; GRI 305	42,43
E1-5	Energy consumption and mix	GRI 302	46,47
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	GRI 305	48,51
E1-7	GHG removals and GHG mitigation projects financed through carbon credit		n.a
E1-8	Internal carbon pricing		n.a
E1-9	Anticipated financial effects from material physical and transition risks and potential opportunities related to climate		n.a
ESRS E5	Resource use and circular economy	Corresponding GRI Standards	Page(s)
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy	GRI 3-3; GRI 306	26,27,34,35
E5-1	Policies related to resource use and circular economy	GRI 3-3	52,53
E5-2	Actions and resources related to resource use and circular economy	GRI 3-3; GRI 306	54
E5-3	Targets related to resource use and circular economy	GRI 3-3	54,55
E5-4	Resource inflows	GRI 306; GRI 301	52,53
E5-5	Resource outflows	GRI 306	54,55
E5-6	Anticipated financial effects from risks and opportunities related to resource use and circular economy		n.a

SOCIAL INFORMATION

ESRS S1	Own workforce	Corresponding GRI Standards	Page(s)
ESRS 2 SBM-2	Interests and views of stakeholders		24,25,34,35
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	GRI 3-3; GRI 408; GRI 409	28,29,31
S1-1	Policies related to own workforce	GRI 2-23; GRI 2-29; GRI 2-25; GRI 3-3; GRI 408; GRI 409; GRI 403; GRI 404	58,59
S1-2	Processes for engaging with own workers and workers’ representatives about impacts	GRI 3-3; GRI 2-29	59
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	GRI 2-25; GRI 403; GRI 2-26; GRI 3-3	59,90,91
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	GRI 3-3; GRI 403; GRI 3-3 ; GRI 2-24; GRI 203	60-66
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	GRI 3-3	67
S1-6	Characteristics of the undertaking’s employees	GRI 2-7; GRI 405; GRI 401	68
S1-7	Characteristics of non-employee workers in the undertaking’s own workforce	GRI 2-8	n.a
S1-8	Collective bargaining coverage and social dialogue	GRI 2-30	71
S1-9	Diversity metrics	GRI 405	69
S1-10	Adequate wage	GRI 202	70
S1-11	Social protection	GRI 401	71
S1-12	Persons with disabilities	GRI 405	n.a
S1-13	Training and skills development metrics	GRI 404	71
S1-14	Health and safety metrics	GRI 403	72
S1-15	Work-life balance metrics	GRI 401	73
S1-16	Compensation metrics (pay gap and total compensation)	GRI 405; GRI 2-21	n.a
S1-17	Incidents, complaints and severe human rights impacts	GRI 406; GRI 2-25; GRI 2-27; GRI 3-3	73

ESRS S2	Workers in the value chain	Corresponding GRI Standards	Page(s)
ESRS 2 SBM-2	Interests and views of stakeholders		24,25,34,35
ESRS 2 SBM-3	Material impacts, risks and opportunities and interactions with strategy and business model	GRI 3-3; GRI 408; GRI 409	28,29,31,74
S2-1	Policies related to value chain workers	GRI 2-23; GRI 2-29; GRI 2-25; GRI 3-3; GRI 408; GRI 409; GRI 2-24	75
S2-2	Process for engaging with value chain workers about impacts	GRI 3-3; GRI 2-29	76
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	GRI 2-25; GRI 2-26; GRI 3-3; GRI 2-29	76
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	GRI 3-3; GRI 403; GRI 2-25; GRI 2-24; GRI 203	77
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	GRI 3-3	79

ESRS S3	Affected communities	Corresponding GRI Standards	Page(s)
ESRS 2 SBM-2	Interests and views of stakeholders		24,25,34,35
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	GRI 3-3; GRI 101; GRI 413	28,29,32,74
S3-1	Policies related to affected communities	GRI 2-23; GRI 3-3; GRI 2-29; GRI 2-25; GRI 411	75
S3-2	Process for engaging with affected communities about impacts	GRI 3-3; GRI 2-29; GRI 413	76
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	GRI 2-25; GRI 413; GRI 2-26; GRI 3-3	76
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	GRI 3-3; GRI 411; GRI 101; GRI 203; GRI 2-25; GRI 2-24; GRI 413; GRI 1.1	77
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	GRI 3-3	79

SOCIAL INFORMATION

ESRS S4	Consumers and end-users	Corresponding GRI Standards	Page(s)
ESRS 2 SBM-2	Interests and views of stakeholders		24,25,34,35
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business mode	GRI 3-3	28,29,32
S4-1	Policies related to consumers and end-users	GRI 2-23; GRI 2-29; GRI 2-25; GRI 3-3	80
S4-2	Processes for engaging with consumers and end-users about impacts	GRI 3-3; GRI 2-29; GRI 2-12	81
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	GRI 2-25; GRI 2-26; GRI 418; GRI 3-3	82
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	GRI 3-3; GRI 2-25; GRI 416; GRI 417; GRI 418; GRI 2-24; GRI 203	85
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	GRI 3-3	85

GOVERNANCE INFORMATION

ESRS G1	Business conduct	Corresponding GRI Standards	Page(s)
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	GRI 2-9; GRI 2-12	16-18
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		26,27,34,35
G1-1	Business conduct policies and corporate culture	GRI 2-23; GRI 2-16; GRI 2-24; GRI 2-26	88-91
G1-2	Management of relationships with suppliers	GRI 3-3; GRI 308; GRI 414	94,95
G1-3	Prevention and detection of corruption and bribery	GRI 2-26; GRI 3-3; GRI 205; GRI 2-13; GRI 2-16; GRI 205	92-93
G1-4	Incident of corruption or bribery	GRI 3-3; GRI 2-27; GRI 205	93
G1-5	Political influence and lobbying activities	GRI 415; GRI 2-9; GRI 3-3	n.a
G1-6	Payment practices		95

SWISS ORDINANCE ON DUE DILIGENCE *AND TRANSPARENCY (ODITR)*

As a company subject to Swiss regulations, we fulfil our obligations under the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (ODiTr). The due diligence measures implemented in this context are consistent with our broader responsible sourcing commitments and further strengthen the traceability, transparency and risk management practices already embedded in our Raw Materials Guidelines and Supplier Code of Conduct.

We do not import tin (Sn), tantalum (Ta) or tungsten (W), more commonly known as the “3Ts.” In 2024, the quantities we used in machining are below the thresholds defined by ODiTr. We are therefore exempt from submitting a report, as provided for in Article

964j, paragraph 1 of the Swiss Code of Obligations concerning minerals and metals.

With regard to gold (Au), We have implemented traceability throughout its supply chain, both for recycled and mined gold, and is thus able to demonstrate that this gold does not originate from conflict zones. More specifically, we do not import ores and sources exclusively “dégrossi” gold from Swiss refiners who adhere to the same due diligence principles set out by the Responsible Jewellery Council (RJC). The mined gold comes exclusively from artisanal and small-scale mines (ASM) located outside Conflict-Affected and High-Risk Areas (CAHRAs) and supported by the Swiss Better Gold and PX Impact® programmes.

OBLIGATION RELATED *TO MINERALS AND METALS*

Exemption for Minerals and Metals from Conflict-Affected Areas

Audemars Piguet does not import tin (Sn), tantalum (Ta), or tungsten (W), commonly referred to as the “3Ts.” In 2024, the quantities used by Audemars Piguet in machining were below the thresholds defined by the ODiTr.

As a result, the company is exempt from submitting a report as stipulated in Article 964j, paragraph 1 of the Swiss Code of Obligations regarding minerals and metals. Regarding gold (Au), Audemars Piguet has implemented traceability throughout its supply chain for both recycled and mined gold and is therefore able to demonstrate that this gold does not originate from conflict-affected areas. Specifically, the company does not import raw minerals and sources exclusively “dégros” gold from Swiss refiners who adhere to the same due diligence principles established by the Responsible Jewellery Council (RJC). The mined gold comes exclusively from artisanal and small-scale mines (ASM) located outside of Conflict-Affected and High-Risk Areas (CAHRA) and is supported by the PX Impact® program.

Obligations Regarding Child Labor Governance and Human Rights

Audemars Piguet is committed to respecting human rights throughout its value chain and enforces a zero-tolerance policy toward any violations. This commitment is reflected in both its internal and external governance structure as described in this report.

Continuous Improvement

The company fosters a strong culture of continuous improvement. Due diligence requires ongoing training of teams on the complexities of the supply chain. Given the constant evolution of regulations, best practices, and market requirements, regular assessments of our due diligence processes ensure our ability to adapt and adjust. Audemars Piguet is committed to continuously advancing its monitoring, risk management system, and due diligence process, and to evolving these practices within the company and among all its business partners.

LIST OF ACRONYMS AND ABBREVIATIONS

ACRONYM	DEFINITION
AA1000	AccountAbility 1000
ADEME	Agence de l'environnement et de la maîtrise de l'énergie
AML	Anti-Money Laundering
AP	Audemars Piguet
AQC	Association for Quality Assurance of Leather Bracelets Manufacturers
ASM	Artisanal and Small-scale Mining
BIO	Protection and Restoration of Biodiversity & Ecosystems
CAHRAs	Conflict Affected and High-Risk Areas
CAPEX	Capital Expenditures
CCA	Climate change Adaptation
CCM	Climate Change Mitigation
CE	Transition to a Circular Economy
CEO	Chief Executive Officer
CESAP	Centre Européen des Services Audemars Piguet
CITES	Convention on International Trade in Endangered Species of Wild Flora and Fauna
CO2	Carbon Dioxide
CSRD	Corporate Sustainability Reporting Directive
DMA	Double Materiality Assessment
DNSH	Do No Significant Harm
EFRAG	European Financial Reporting Advisory Group
ELT	Executive Leadership Team
ESG	Environment, Social & Governance
ESRS	European Sustainability Reporting Standards
EU	European Union
EV	Electric Vehicle
FSC	Forest Stewardship Council
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HQ	Headquarters



ACRONYM	DEFINITION
HR	Human Resources
IFCA	International Crocodilian Farmers Association
ILO	International Labour Organisation
IRO	Impacts, Risks & Opportunities
IT	Information Technology
KPI	Key Performance Indicator
KYC	Know Your Customer
LWG	Leather Working Group
MSS	Minimum Social Safeguards
MWh	Megawatt hour
NGO	Non-Governmental Organisation
ODiTr	Ordinance on Due Diligence and Transparency
OECD	Organisation for Economic Co-operation and Development
OPEX	Operational Expenditures
PEFC	Programme for the Endorsement of Forest Certification
PPC	Pollution Prevention & Control
R&D	Research & Development
RJC	Responsible Jewellery Council
RJC COP	Responsible Jewellery Council's Code of Practices
SAV	After-Sale Services
SBG	Swiss Better Gold
SBTi	Science Based Targets initiative
SC	Substantial contribution
SES	Stakeholder Engagement Standard
STI	Swiss Triple Impact
tCO2e	Tonnes of carbon dioxide equivalent
UN	United Nations
UNGP	United Nations Guiding Principles
WTR	Sustainable Use & Protection of Water and Marine Resources

AUDEMARS PIGUET

Le Brassus

