



ENVIRONMENTAL
POLICY

AUDEMARS PIGUET
Le Brassus

INTRODUCTION

Audemars Piguet has constantly developed in close connection with the natural surroundings of the *Vallée de Joux* and the Risoud Forest. The surrounding ecosystems have long inspired our craft and shaped the way we design and create our timepieces. This deep bond with nature underpins our responsibility to protect the environment on which our global value chain depends.

In a world impacted by climate change, biodiversity loss and growing pressure on natural resources, environmental protection has become both an ethical imperative and a condition for long-term resilience.

Our Environmental Policy expresses this commitment. It sets out how we act to reduce our environmental footprint, safeguard ecosystems, and manage raw materials responsibly, while maintaining the excellence and durability that define our watches.

1. PURPOSE AND OBJECTIVE OF THE POLICY

This Environmental Policy formalises Audemars Piguet's commitments to environmental protection. Its objectives are threefold:

- affirming our determination to actively contribute to preserving the environment, which is an integral part of our history.
- reflecting the commitment expressed in our Articles of Association to generate a positive impact on society and the environment.
- integrating environmental considerations consistently across all operations and decision-making processes in order to continuously reduce our environmental footprint, while maintaining excellence and the quality of our products.

2. SCOPE OF APPLICATION

This policy covers all activities of Audemars Piguet and its affiliates, as well as the entirety of its value chain. Both direct and indirect environmental impacts are taken into account.

It applies to:

- Internal stakeholders involved in activities that may impact the environment.
- External stakeholders connected to our value chain, including suppliers, subcontractors and service providers.

The policy applies globally and is implemented in addition to applicable local environmental laws and regulations. Where local laws or regulations impose higher or more stringent requirements, these local laws take precedence.

3. CONTEXT AND KEY CHALLENGES

Audemars Piguet operates in a global context where environmental pressures are increasing. Climate change, biodiversity loss and the depletion of natural resources are reshaping ecosystems, value chains and societal expectations. These developments influence how we source materials, design products, plan infrastructure and manage logistics.

Based on our environmental analysis and double materiality approach, we have identified the following priority challenges:

Responsible production and resource management

We design timepieces that are repairable and durable, helping to ensure their long-term use. This philosophy of longevity lies at the heart of our commitment to responsible production, resource efficiency, and circularity. Reducing our environmental footprint requires the integration of innovative and sustainable practices, as well as continuous reflection about our use of natural resources, water, and energy.

Reduction of greenhouse gas emissions

We recognise the importance of limiting global warming to 1.5°C above pre-industrial levels. To support this aim, we follow decarbonisation trajectory, with target validated by the Science Based Targets initiative (SBTi). This trajectory guides our efforts to reduce greenhouse gas emissions across Scopes 1, 2 and 3, taking into account the significant share of our climate impact that lies upstream in our value chain.

Preservation, restoration and enhancement of biodiversity

Biodiversity is essential to ecosystem balance and planetary health. Since 1992, the Audemars Piguet Foundations have supported the protection and restoration of forested and natural areas. More broadly, we seek to anticipate and manage environmental risks linked to our activities so as to minimise impacts on local ecosystems, particularly in regions where we operate or source materials.

People at the heart of our actions

The quality of the environment directly affects the health and well-being of communities near our sites and along our value chain. By preserving natural resources and supporting clean air and water, we contribute to maintaining quality of life for people living and working close to our activities.

Environmental risks, opportunities and resilience

We identify, assess, and manage environmental risks and opportunities associated with our operations and across our value chain. These encompass both physical risks related to climate change (including heat stress, extreme weather events, and water scarcity) and transition risks (such as regulatory developments, evolving market expectations, technological changes, and resource constraints). Environmental considerations are embedded within our enterprise risk management (ERM) framework and are integrated into strategic planning, investment decision-making, and business continuity processes, taking into account short-, medium-, and long-term time horizons.

4. ORGANISATIONAL COMMITMENTS

Audemars Piguet commits to the following actions to address these environmental challenges:

- Complying with all applicable environmental regulations.
- Prioritising direct actions to reduce negative impacts over offsetting measures.
- Integrating environmental considerations into the design of products, infrastructure and operations.
- Reducing greenhouse gas emissions in line with a science-based decarbonisation trajectory.
- Protecting water resources and supporting water stress prevention.
- Supporting the preservation and restoration of biodiversity and ecosystems.

- Managing waste responsibly and promoting circular practices in our operations and products.
- Raising awareness among internal and external stakeholders through education and engagement programmes, in order to foster sustainable practices throughout the value chain.

In addition, Audemars Piguet has set specific commitments in the areas outlined below.

Climate change

- Follow a decarbonisation trajectory across Scope 1, 2 and 3 emissions, with targets validated by SBTi.
- The levers to reduce Scope 3 emissions include:
 - › Reduce absolute emissions linked to business travel and commuting.
 - › Implement a supplier engagement programme to drive emissions reductions across the value chain.
 - › Ensure that Scope 3 governance draws on supplier engagement and responsible purchasing practices, in coherence with our Responsible Sourcing Policy and relevant departments.
 - › Strengthen the reduction of upstream emissions by sourcing recycled materials, thereby limiting the environmental impacts associated with primary extraction and supporting more circular use of precious materials.

Energy

- Increase the use of renewable electricity.
- Favour the use of local and renewable energy, support the development of local projects and deploy energy recovery systems and self consumption solutions.
- Target high energy efficiency standards in the design of infrastructure, production tools and equipment.
- Engage in continuous improvement through energy monitoring, optimisation and awareness raising across business functions.

Water

- Use water responsibly and protect water resources.
- Identify and address issues related to preserving the quality of surrounding water bodies and avoiding water stress.
- Develop water use and protection management plans in consultation with relevant stakeholders.

Biodiversity and ecosystems

- Support the prevention and restoration of biodiversity and ecosystems.
- Promote sustainable forest and biodiversity management as part of a broader approach to managing biodiversity-related impacts, risks and opportunities.

Pollution

- Comply with regulatory obligations relating to pollution.
- Integrate pollution prevention requirements into continuous improvement processes.

Air quality

Seek to minimise local air pollutants and process-related emissions by implementing:

- Appropriate monitoring and reduction measures, where relevant.
- Preventive maintenance programmes.
- The application of best-available techniques, where feasible.
- The integration of air-quality considerations into project design, operational controls, and production processes.

Chemicals and substances of concern

Ensure the responsible management of chemicals throughout their entire lifecycle — from procurement and use to storage and final disposal — in order to protect employees' health and reduce environmental impact across our operations and value chain. This commitment includes strict compliance with applicable legal and internal requirements and is achieved through the following measures:

- Implementation of controls to ensure the safe selection, use, storage, handling, and disposal of chemicals, with a preference for the substitution and reduction of hazardous substances where feasible.
- Requirements for relevant suppliers to provide transparent information on regulated substances contained in materials and components.
- Integration of substance management requirements into procurement processes and technical specifications.
- Implementation of risk-prevention measures, including employee training, as well as procedures for the proper identification, handling, and compliant disposal of special waste.

Soil and land use

Prevent soil contamination and seek to limit negative land-use impacts associated with our sites and projects:

- Assessing environmental sensitivities during construction, renovation, and land development activities.
- Implementing appropriate controls to prevent spills, contamination, and environmental damage.
- Striving to minimise land sealing and habitat fragmentation wherever feasible.
- Supporting, where relevant, the restoration of affected areas and nature positive initiatives.

Resources and the circular economy

- Apply best practices for waste management in collaboration with local partners.
- Integrate waste management into a continuous-improvement plan.

- Promote circularity by favouring material recovery, reuse and responsible disposal.
- Strengthen responsible sourcing of key raw materials, in line with our Responsible Sourcing policy.

Climate adaptation and operational resilience

Strengthen the resilience of our operations and value chain to climate related physical risks:

- Periodically assessing climate exposure for our sites and critical suppliers, taking into account plausible climate scenarios and local hazards such as heat stress, flooding, and potential supply disruptions.
- Defining and implementing appropriate adaptation measures, including infrastructure protection, redundancy measures, water risk mitigation, emergency preparedness, and business continuity arrangements.
- Monitoring progress through dedicated action plans and relevant indicators.

5. OPERATIONAL INTEGRATION

Having recognised its environmental impacts, Audemars Piguet embeds environmental considerations across its operations and strategic decisions to drive continuous footprint reduction while maintaining product excellence.

Environmental commitments are integrated into day-to-day operations through structured processes, responsibilities and tools. Operational integration includes:

- Embedding environmental requirements into design, infrastructure projects and manufacturing processes.
- Integrating environmental criteria into procurement, supplier selection and contract clauses, in coherence with our Responsible Sourcing Policy.
- Incorporating environmental targets and responsibilities into relevant procedures and management systems.
- Using monitoring tools and audits to assess environmental performance and identify improvements.
- Making our SpeakUp Line available for reporting environmental concerns, ensuring that issues can be raised and addressed without retaliation.

Stakeholder dialogue

We engage in ongoing dialogue with relevant stakeholders on material environmental matters, in line with our Stakeholder Engagement Policy.

This engagement:

- Supports the identification of environmental impacts, risks, and opportunities from a double materiality perspective.
- Informs the development of action plans.
- Contributes to transparent and meaningful reporting.

Participation in relevant industry and cross-industry initiatives

Participation in industry and cross industry coalitions plays a key role in advancing responsible and sustainable practices. By engaging in industry specific initiatives, such as those led within the watchmaking sector (e.g. Watchmaking Ecodesign) and in cross industry platforms, Audemars Piguet strengthens collaboration, knowledge sharing, and alignment on common challenges. These initiatives enable collective action, contribute to the development of best practices and standards, and enhance the effectiveness and credibility of our commitments by addressing shared environmental, social, and ethical issues beyond the scope of individual action.

Environmental incident prevention and emergency preparedness

Audemars Piguet maintains appropriate preparedness to prevent, manage, and respond to environmental incidents, including spills, accidental releases, fire-related contamination, and wastewater disruptions.

This preparedness includes:

- Site-level prevention and emergency response plans defining preventive measures, response procedures, roles and responsibilities, training requirements, and coordination with competent authorities and emergency services, as appropriate.
- Periodic testing and review of emergency preparedness to ensure the effectiveness of plans and response capabilities.
- Incorporation lessons learned from incidents, audits, and tests into corrective actions and continuous improvement processes.

Skills, training and communication

We ensure that employees, contractors, and subcontractors whose activities may impact environmental performance are appropriately supported through training, awareness programmes, and role specific guidance.

We also:

- Maintain effective internal and external communication channels to support understanding of environmental requirements and expectations.
- Engage with external stakeholders on environmental matters, in line with our Stakeholder Engagement Policy.

6. MEASURABLE OBJECTIVES AND INDICATORS

Audemars Piguet's environmental commitments are translated into measurable objectives. These are monitored through specific indicators consolidated in internal reporting tools and presented in the sustainability report.

These indicators are reviewed regularly to track progress, identify gaps and inform continuous improvement.

7. GOVERNANCE, ROLES AND RESPONSIBILITIES

Governance of this policy is overseen by the Board of Directors and the Chief Executive Officer, who ensure alignment with the company's overall strategy.

The Sustainability Department coordinates the implementation of this policy, consolidates environmental data, and monitors progress against commitments in collaboration with other departments.

Operational departments are responsible for integrating environmental principles and requirements into their daily activities and projects.

Suppliers, subcontractors, and service providers are expected to comply with applicable environmental requirements and align their practices with the principles of this policy.

Roles and responsibilities may be detailed further in internal procedures and governance documents to ensure clarity and accountability.

Identified gaps are addressed through corrective action plans and capacity building measures. Persistent non compliance or significant environmental harm may lead to escalation measures, up to and including suspension or termination of the business relationship, in line with contractual and legal requirements.

8. LINKS AND REFERENCES

The Environmental Policy is guided by best practices and leading international frameworks. It must be read alongside our other policies and procedures, which provide detailed standards and processes supporting its implementation.

External standards and frameworks

- ISO 14001 – Environmental Management
- Global Reporting Initiative (GRI) environmental standards
- European Sustainability Reporting Standards (ESRS) environmental standards
- Task Force on Climate-related Financial Disclosures (TCFD)
- United Nations Sustainable Development Goals
- Paris Agreement
- Science-based climate and environmental trajectories

AP policies and guidelines

- Human Rights Policy
- Responsible Sourcing Policy
- Stakeholder Engagement Policy
- SpeakUp Line Policy
- Supplier Code of Conduct

- Building guidelines
- Raw Materials Guidelines
- Due Diligence Procedure

9. COMMUNICATION AND ACCESSIBILITY

The Environmental Policy is communicated in an accessible and transparent manner.

- Internally, it is available on the intranet and presented through newsletters, training sessions, and awareness initiatives.
- Externally, it is published on the corporate website and referenced in the sustainability report.

10. REVISION AND CONTINUOUS IMPROVEMENT

This policy is reviewed at least annually, or more frequently if required by regulatory, scientific or strategic developments. Each review aims to ensure that the policy remains fully aligned with the company's Sustainability strategy, while taking into account scientific advances, regulatory developments and societal expectations.

Monitoring of the policy is based on consolidated environmental indicators.

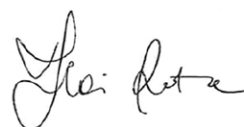
We periodically evaluate compliance with applicable environmental legal requirements and other commitments. Any non-conformity is addressed through timely corrective actions, including root-cause analysis, remediation, and prevention of recurrence. We track actions to closure and verify effectiveness through monitoring, audits and management review.

Environmental performance is reported to the Board of Directors and is disclosed in the sustainability report in line with applicable reporting standards.

11. SIGNATURES



Alessandro Bogliolo
Chairman of the Board of Directors



Ilaria Resta
Chief Executive Officer

