

RESPONSIBLE
SOURCING
POLICY

AUDEMARS PIGUET
Le Brassus

INTRODUCTION

The origin and sourcing of our materials are integral to the integrity of our craft. Responsible sourcing enables Audemars Piguet to steward resources responsibly, strengthen the sustainability and resilience of our supply chain, and ensure that materials used in our products reflect our values of respect, diligence and authenticity.

Some materials used in our craft present heightened environmental, social or ethical risks. These require increased vigilance and a risk based approach to due diligence to prevent adverse impacts on people, communities and the environment.

These principles guide our collaboration with partners across the global supply chain. Long term relationships based on transparency, trust, proximity and shared responsibility are essential to sustaining our activities, safeguarding our expertise and supporting a resilient and ethical watchmaking model.

This policy defines the principles governing responsible sourcing at Audemars Piguet. It reflects our commitment to respectful sourcing practices, responsible labour conditions, sustainable development, and our long term vision for responsible watchmaking.

1. PURPOSE AND OBJECTIVES OF THE POLICY

The purpose of this policy is to define the principles and expectations that guide responsible sourcing activities across Audemars Piguet. It also supports consistent decision making across functions and strengthens alignment between procurement activities, sustainability objectives and overall governance.

Specifically, the policy aims to:

- Ensure that all purchasing decisions integrate environmental, social and governance (ESG) considerations alongside quality, cost and delivery criteria.
- Strengthen the sustainability and resilience of our supply chain to secure the continuity of our activities, while preserving and transmitting our heritage of expertise.
- Contribute to a responsible and sustainable watchmaking industry by preventing ESG risks and promoting best practices across the value chain.
- Provide a common framework that supports consistent, responsible and ethical sourcing practices.
- Further enhance supply chain transparency by deepening supply chain mapping and improving our understanding of supply chain actors.

2. SCOPE OF APPLICATION

This policy governs sourcing activities directly linked to watchmaking and extends to all products and services purchased by Audemars Piguet.

It applies to:

- All internal stakeholders.
- All purchases made by Audemars Piguet and its subsidiaries, including but not limited to raw materials.
- All suppliers and subcontractors working with Audemars Piguet.
- All business partners across the supply chain (Tier 2 and beyond).

3. CONTEXT AND KEY CHALLENGES

Audemars Piguet operates in a global environment characterised by complex, multitier supply chains that span diverse geographies, regulatory frameworks and maturity levels. These dynamics create a range of environmental, social and governance considerations that directly influence responsible purchasing practices. Given that a significant share of our environmental and social footprint occurs upstream, responsible purchasing is a critical lever for impact.

Based on our risk analysis and double materiality assessment exercises, we have identified a defined set of material topics that guide our priorities and actions. The material topics currently in focus include:

- Climate change;
- Workers in the value chain;
- Business ethics;
- Raw materials;
- Our people;
- Our expertise;
- Our communities across our ecosystem.

The Responsible Sourcing Policy aims to address these topics and to drive a continuous improvement approach within our purchasing processes, both for our watches directly and for all activities and services across Audemars Piguet indirectly.

This policy supports the integration of sustainability considerations throughout our value chain, in the interest of our clients and broader stakeholders.

4. ORGANISATIONAL COMMITMENTS

Audemars Piguet commits to the following principles to guide responsible sourcing across its activities:

- Embedding ESG considerations into all procurement practices.
- Ensuring integrity, transparency and responsible business conduct in purchasing decisions.
- Promoting respect for human rights across our supply chains.
- Strengthening environmental responsibility, including material traceability and resource efficiency.
- Supporting partners in advancing sustainability through guidance, training and long-term relationships.
- Upholding internationally recognised standards and applicable regulations in all procurement activities.

Our approach is grounded in long term collaboration and the belief that responsible sourcing —including the use of short and direct supply chains— creates shared value across the ecosystem.

5. OPERATIONAL INTEGRATION

Responsible purchasing principles are embedded throughout procurement processes defined in our Supplier Code of Conduct and Raw Material Guidelines and operational decision making. These include:

Ethical business conduct

- Combating corruption, money laundering, conflicts of interest and anti-competitive behaviour.

- Implementing human rights and environmental due diligence (HREDD) across supply chains.
- Ensuring traceability and transparency of materials and origins.

Human rights and working conditions

- Applying International Labour Organization (ILO) conventions and ensuring safe, fair and non-discriminatory working conditions.
- Protecting vulnerable groups (young workers, migrants, pregnant women, persons with disabilities).
- Extending expectations to subcontractors and service providers, including cleaning, security and other partners.
- Taking into account the potential impacts of supply-chain activities on local communities, particularly in sourcing regions.

Environmental responsibility

- Integrating circularity, energy efficiency and waste reduction into purchasing decisions.
- Supporting climate-related objectives, including the adoption of practices that contribute to reducing upstream impacts.
- Ensuring responsible management of raw materials and animal-derived materials.
- Promoting ecosystem and biodiversity protection.

Integration in procurement processes

- Embedding ESG criteria in specifications, tenders, contracts and supplier onboarding.
- Using trade-specific guidelines for material categories.
- Providing training and awareness programmes for internal teams and strategic partners.
- Where relevant, procurement decisions favour recycled and recoverable materials and are aligned with circularity principles set out in our Environmental Policy and circularity roadmap.

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 within the watchmaking sector (e.g. Federation of the Swiss Watch Industry), and in cross industry platforms (e.g. Child Labour Platform), Audemars Piguet nurtures 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.

Supplier engagement programmes

- In addition, selected suppliers participate in Swiss Triple Impact (STI) programmes, where relevant to their category or risk profile. Through this initiative, suppliers are expected to formalise 3–5 measurable ESG commitments aligned with at least one environmental and one social priority.
- Audemars Piguet works collaboratively with suppliers across categories to strengthen responsible practices, support capability-building and reinforce alignment with our long-term sustainability objectives.

6. MEASURABLE OBJECTIVES AND INDICATORS

Progress on responsible sourcing is monitored through:

- Indicators such as the signature of the Supplier Code of Conduct, compliance with our Raw Materials Guidelines, and the number of audits and/or visits carried out.
- Evaluation of supplier performance and risks against ESG expectations.
- Monitoring of certifications and audit requirements for suppliers in higher-risk geographies.
- Tracking implementation of corrective action plans.
- Coverage of ESG criteria across tenders and supplier onboarding processes.

Indicators and methodologies may evolve over time to reflect regulatory developments and sector best practice.

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

Operational departments apply the requirements in their procurement decisions.

Suppliers must comply with this policy and cascade expectations to their own suppliers.

8. LINKS AND REFERENCES

Audemars Piguet implements this policy in line with internationally recognised standards. It must be read alongside AP's internal policies and procedures, which provide the detailed standards and processes supporting its implementation.

External standards and reference frameworks include:

- UN Guiding Principles on Business and Human Rights (UNGPs)
- ILO fundamental conventions
- OECD Guidelines
- ISO 20400 – Sustainable Procurement
- ISO 26000 – Social Responsibility
- RJC Code of Practices
- Applicable sectoral and regulatory requirements (e.g., ODiTr)

AP Policies and Guidelines :

- Environmental Policy
- Human Rights Policy
- Anti-Money-Laundering Policy
- Anti Bribery & Anti Corruption Policy
- Supplier Code of Conduct
- Raw Materials Guidelines
- Due Diligence Processes
- Know Your Supplier (KYS) Questionnaire

9. COMMUNICATION AND ACCESSIBILITY

This policy is communicated through onboarding, intranet and internal training channels.

It is shared with suppliers as part of contractual and tender documentation and supported by trade-specific guidelines.

Updates are communicated to relevant teams and partners, along with training and support where needed to ensure consistent implementation.

The policy is made accessible to all relevant stakeholders and updates are communicated in a timely manner through the appropriate internal and external channels.

10. REVISION AND CONTINUOUS IMPROVEMENT

This policy is reviewed annually or in line with regulatory or strategic developments.

Reviews incorporate internal feedback, findings from audits and due diligence activities, and evolving best practices.

Continuous improvement plans support supplier progress through targeted engagement, on-site visits and partnerships.

11. SIGNATURES



Alessandro Bogliolo
Chairman of the Board of Directors



Ilaria Resta
Chief Executive Officer

