



JASMINE AUDEMARS
CHAIRWOMAN OF
AUDEMARS PIGUET AND
OF THE AUDEMARS PIGUET
FOUNDATION

"Our objective is to be a responsible, uncompromising and forward-thinking company that creates long-term value beyond business and empowers the talents, partners and the communities we work with to build a brighter future."

I am proud to say that Audemars Piguet is today the only independent Swiss fine watchmaking company still in the hands of the founding families. Located in the small village of Le Brassus, at the heart of the Vallée de Joux, Audemars Piguet is deeply rooted in the natural, social and cultural environment of this valley nestled in the Jura Mountains. Nurturing the land as well as the network of family artisans and talents that saw us grow has been one of the guiding principles of our company since 1875.

The Audemars Piguet Foundation established by my father Jacques-Louis Audemars in 1992 confirmed our social and environmental implication. The Foundation has worked together with local communities to initiate a virtuous circle of sustainable development ever since. Preserving forests, sensitising

children about the environment, restoring biodiversity and perpetuating ancestral knowledge are among its top priorities. Over the years, the Foundation has inspired Audemars Piguet to implement long-term sustainable and responsible actions across the value chain. As the spiritual godmother of the brand's corporate social responsibility policy, the Foundation continues to ensure that the values it stands for are reflected in the company's actions.

Today, our CSR policy revolves around four pillars that govern our activities: People, Environment, Business Ethics and Community.

Our numerous agents of change work every day to make Audemars Piguet a force for good. Let's hear their testimonies.

OUR PEOPLE



CHRISTOPHE BALLY FORMER CHIEF HUMAN RESOURCES OFFICER (END OF 2021) AUDEMARS PIGUET

"To work at Audemars Piguet is to be a member of the family."

Le Brassus is home today to our headquarters and main manufacturing facility, the Manufacture des Forges. Some of our complicated mechanisms are created in Le Locle, while our gold cases and bracelets are produced in Meyrin. More than 1,300 employees work on these different sites. The brand is also represented around the world by 16 subsidiaries that employ around 800 people working in sales, customer services and brand-related positions. We believe in building an inclusive workplace nurturing diversity and gender balance around the world. Today, a third of our managerial positions are held by women.

As a family-oriented business, we put people at the centre of our activities and are committed to providing our employees with the best working environment and conditions possible to foster their creativity and help them express their talents to the fullest. We notably accompany them in their professional and and at the international levels.

personal development by proposing an array of training opportunities. In addition, we have established a remote work policy and flexible work hours to help them achieve good professional and private life balance. Mindful of their well-being and self-fulfilment, we also offer a variety of sport activities, as well as subsidised cultural and social outings for staff and their families.

We assess our employees' satisfaction on a regular basis to meet their evolving needs. Our external satisfaction survey ranked their happiness at 81 % in 2017 and at 84 % in November 2020.

In addition, Audemars Piguet has always been committed to supporting local communities. Our volunteering programme, established in 2019, enables employees to help make a difference both at the local

ENRIQUE LUIS SARDI FOUNDER SARDI STRATEGIC DESIGN

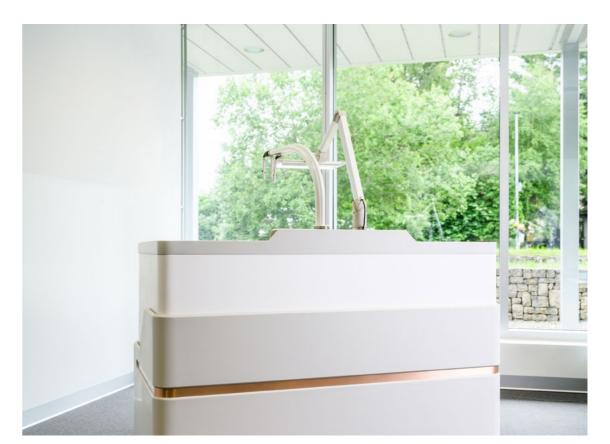
"We designed a dedicated innovative workbench with Audemars Piguet's artisans in mind."

The Innospace workbench results from a great human adventure with Audemars Piguet. This project which required three years of research and development was born from the Manufacture's desire to redesign the traditional watchmaker bench to offer its artisans the best equipment and working environment possible. Audemars Piguet's human-centred approach resonates with our dream of improving people's life, on which SARDI's vision was founded: in fact, our mission is to bring manufacturing products to their next level.

synergically with AP watchmakers and craftspeople to design ergonomic and flexible workbenches to collaborative work of our respective teams.

respond to physical needs and tasks. The computersupported workstations are fully modular with adjustable height, armrests and chin support. The non-reflective colours have been chosen to promote well-being, while the adjustable lighting responds to Audemars Piguet's highest quality requirements. The resulting blend of technical mastery and contemporary design modernises the look and feel of the workshops in line with the Manufacture's forward-thinking spirit.

To optimise workflow, the Innospace workbenches Throughout the project, we worked closely and seamlessly fit with one another when assembled—a nod to both the links of a bracelet and to the





OUR ENVIRONMENT



ÉLINE GRÉGOIRE ENERGY EFFICIENCY COORDINATOR AUDEMARS PIGUET

"Manufacturing excellence also means energy optimisation."

The journey to reduce our energy consumption started in 2007. We launched the construction of a remote local wood-based heating system for all of the AP buildings in Le Brassus. This system also provides heat to around 50 additional buildings in the village.

Forges was the first industrial building to obtain the Minergie-ECO® certification in Switzerland. Today, all our production sites are either Minergie® or Minergie-ECO® certified.

sites and our headquarters' administrative buildings are supplied with 100% renewable heat and electricity

sources. In addition, electric vehicles are available for employees' shuttle and inter-site transportation.

Our understanding of climate protection and responsibility to the environment does not stop at our manufacturing sites or products. We are committed In 2008, the newly inaugurated Manufacture des to always going the extra mile to implement energy-performance actions on all fronts, from energy synergies and monitoring to building usages, innovative equipment and production processes.

Energy sobriety and efficiency as well as the To minimise our emissions, all our Swiss production development of local renewable energies are our daily roadmap.

MATTHIEU LAFFITTE CONTINUOUS IMPROVEMENT EXPERT AUDEMARS PIGUET

"Today, we are not yet a carbon neutral company, but we are actively working on reducing our greenhouse gas emissions."

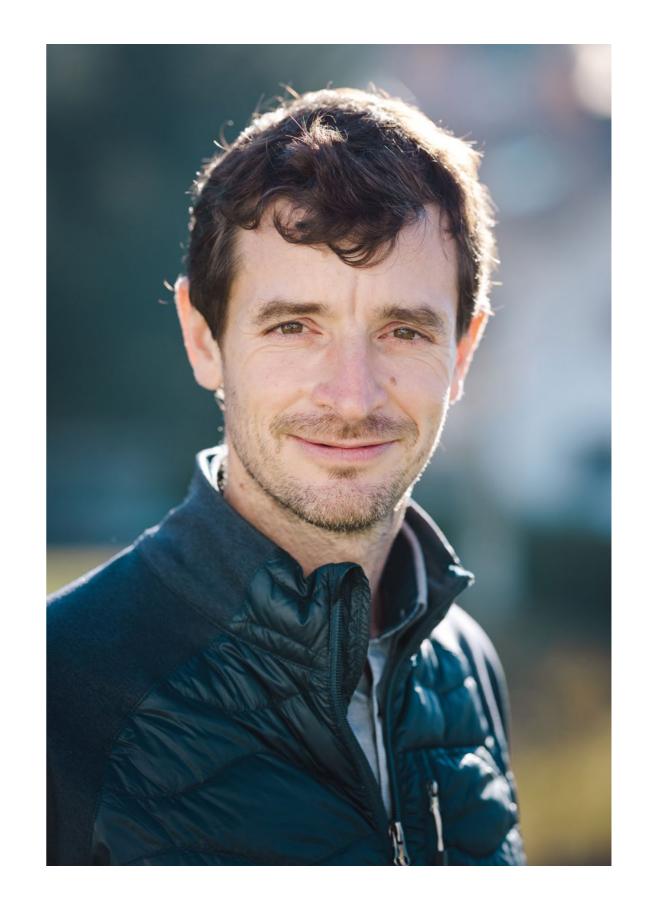
The Continuous Improvement department sets the framework enabling each employee to reduce the company's emissions as much as possible.

Specific measurement systems are in place to monitor emissions, wastes as well as water and electricity consumption. An independent party gas emissions by a third and increase recyclable and assesses our carbon emissions yearly. On this basis, we have already reduced our scope 11 and scope 22 emissions to 114tco2e in 2019. Scope 33 emissions, evaluated at 4,800tco2e, represent today our main carbon footprint.

Since 2017, we have offset all our flight impacts (circa

Our next target is to reduce the Group's greenhouse recoverable waste from 50 to 80%, both by 2025.

2,300tco2e per year) and started to work closely with our partners within our value chain to continuously improve measurements and reductions.



¹ Direct emissions resulting from the combustion of fossil energy.

² Indirect emissions linked to the consumption of electricity, heat or steam necessary to manufacture our products.

³ All other indirect emissions: extraction of raw materials, transport of employees...



GUILLAUME DE MORSIER FOUNDING PARTNER KUNÍK DE MORSIER ARCHITECTS

"The Manufacture des Saignoles marries ecological construction with users' well-being."

We have conceived the Manufacture des Saignoles in Le Locle, Switzerland, as one with the adjacent valley. Its discreet one-floor, split-level architecture integrates the topography of the Saignoles hills and draws inspiration from the surrounding bogland, meadows and forest.

Each material has been consciously chosen to reduce its negative impact on the environment. Natural light was key in the conception of the building which features large energy-efficient electrochromic bay windows that tint automatically to improve occupant comfort, without hindering their views of the outdoors. The building is heated without any fossil fuels and the roof is equipped with 300 photovoltaic

panels, covering a total surface of 480m², for a power capacity of 80kW. In addition, the building has obtained the Minergie® certification.

The Manufacture des Saignoles has also been designed to foster creativity and interconnected workflows. The modular interior design can adapt to employees' varying needs, while allowing multi-disciplinary teamwork. Going beyond traditional industrial buildings, the Manufacture features a large non-work space at the centre of the building favouring informal exchanges as well as employees' comfort and relaxation. For us, this building represents the perfect balance of industrial needs, artisanship and employee well-being.

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OUR BUSINESS ETHICS

ERIC PRISSERT SENIOR ADVISOR STRATEGIC PURCHASING AUDEMARS PIGUET

"We work with sensitive supply chains and aim to initiate positive change from within."

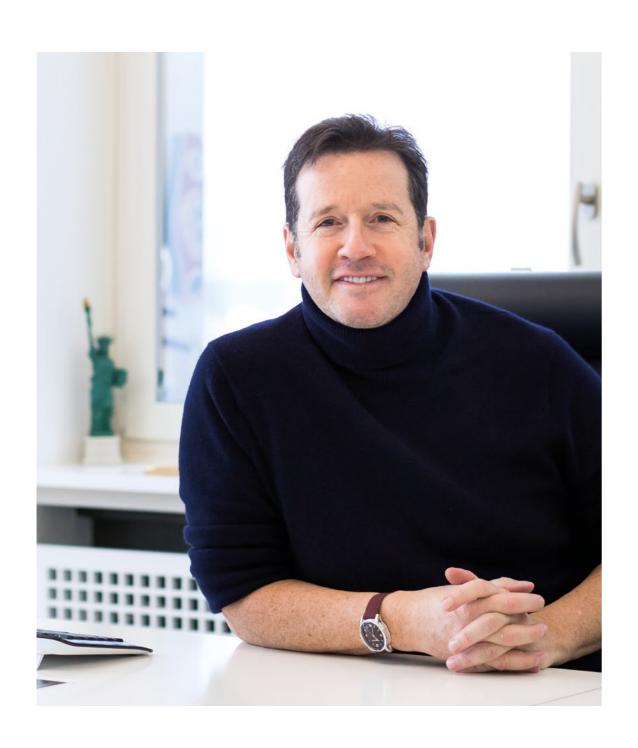
We work with complex and sensitive supply chains such as gold, diamonds, gemstones and leather, all located outside of Switzerland, with identified risks in term of human rights, working conditions, ecosystem impacts or animal welfare. We carefully select raw materials and suppliers fulfilling our transparency requirements. We have also taken the necessary precautions to guarantee that Audemars Piguet does not contribute in any way to harmful practices.

We are committed to initiating positive change from within by working hand in hand with our partners across the supply chain. This means transforming sensitive issues into forces for good while helping communities to evolve their practices along the way. Regular audits, on-site visits, long-term partnerships and third-party certifications, such as RJC (Responsible)

Jewellery Council) for gold and diamonds, AQC (Association for Quality Assurance of Leather Bracelet Manufacturers) for leather straps and FSC (Forest Stewardship Council) for paper and wood, ensure the implementation of the highest standards within the industry. We also contribute to initiatives that provide a direct support to the local communities where we operate and beyond, such as the ones led by Swiss Better Gold and PX Impact® as far as gold mining communities are concerned.

We have started this long journey by working closely with selected partners that share and commit to the transparency and quality values identified in our Sustainable Development Charter. The next step is to provide complete and verified transparency for our raw materials by 2025.





FRANÇOIS-HENRY BENNAHMIAS CHIEF EXECUTIVE OFFICER AUDEMARS PIGUET

"Swiss Made is not enough."

Our watches are the proud reflection of the Swiss fine watchmaking craftsmanship that has been handed down across generations – a unique savoir-faire which we continue to support by investing in local artisans and manufacturers.

For us, Swiss Made is not a label attesting to the geographical origins of our watch components. It is a commitment to the local people and businesses who continuously honour and push the boundaries of a know-how built on the network of family artisanship that developed in the Vallée de Joux and the Jura Arc area in the 18th century. Families across the region specialised in the manufacturing of specific movement components that they produced in their own home workshops. The *établisseur* then collected all parts

and assembled the movement, before performing the final tests and orchestrating its distribution. As *établisseur*, Audemars Piguet established invaluable collaborations with many local artisans which evolved with time. Today, these workshops, which have reached the scale of manufactories, are still predominantly localised in the Jura Arc region.

Our long-term goal is not only to maintain more than 90% of local supply, in priority within the Jura Arc area, for the direct purchases of our watch components. It is also for the Swiss watch industry to follow suit. Only by working hand in hand with local partners will the whole industry be able to safeguard these skills, which remain unique in the world.

DIANA CULILLAS SECRETARY GENERAL SWISS BETTER GOLD ASSOCIATION

"Audemars Piguet supports the sustainable development of artisanal and small-scale mining communities."

The artisanal small-scale mining (ASM) has been associated with hard social conditions and environmental impacts, which contributes to a negative and often erroneous perception of the sector as a whole. The Swiss Better Gold Association aims at improving working and living conditions in As part of our mission and engagement, we have artisanal small-scale mining communities and facilitating the creation of responsible supply chains increasing the flow of responsibly produced ASM gold from ASM operations to the Swiss market.

Our members are convinced that only a strong cooperation between all players can help to solve problems that go beyond the scope of business. In order to achieve these aims, the Swiss Better Gold

Association has partnered with SECO, the Swiss State Secretariat for Economic Affairs, in a pioneering public-private alliance known as the Swiss Better Gold

supported Audemars Piguet in purchasing and since 2019. Together, we create long lasting and direct links with ASM producers, work on continuously improving their social and environmental conditions as well as support these local communities in addressing the various challenges they may face.





BERTRAND PASCHE COMMERCIAL DIRECTOR OF MULTICUIRS SA AND VICE-CHAIRMAN OF AQC

"We work hand in hand with our clients to provide high quality leather straps that act for a transparent and responsible global supply chain."

The leather industry is creating a product that is both natural and long lasting, leather being unique in its ability to combine beauty, comfort and practicality.

To ensure the compliance and the traceability of its straps, Multicuirs has founded the AQC (Association for Quality Assurance of Leather Bracelet Manufacturers) with other players in the industry. AQC's expertise is based on the highest industry standards for both calfskin and American alligator. manufacturing and transportation of products.

This association has allowed us to progress enormously and to offer some of the safest products on the market with positive results on animal well-being.

We are happy to work with Audemars Piguet-a company that supports and listens to its suppliers. We are jointly developing solutions to make our industry more sustainable and have already been able to significantly reduce emissions linked to the

OUR COMMUNITY

JENNY BURGAT FOUNDATION PROJECT LEADER AUDEMARS PIGUET

"We believe that unlocking everyone's potential will inspire changemaking."

We have at heart to give back to the community. The pandemic that hit us all in 2020 not only encouraged empowering and inspiring our people to be a force us to reimagine new ways of working and being together. It also spurred us to further our enduring
The same holds true for our partners, clients and support to our employees and community. We notably launched our Action Now programme to provide long-term support to the people that have Today we are dedicating almost 1% of our annual been the most impacted by Covid-19, economically and socially. Action Now follows in the footsteps of our around the world. Our long-term goal is to increase volunteering programme established in 2019 in this number by 2025, while continuing to accompany collaboration with the Audemars Piguet Foundation. and support our partners and their communities in As an independent company driven by a strong their own journey to sustainable development.

family spirit, we are committed to accompanying, for good in their professional and personal lives. community at local and international levels.

turnover to finance environmental and social projects





ANNE-LISE THOMAS

DIRECTOR

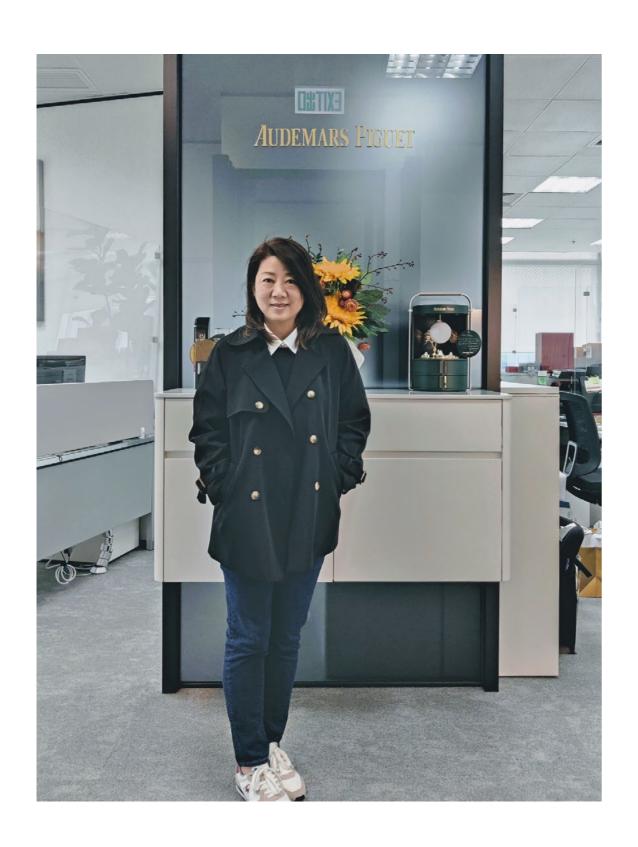
LA VIRGULE

"We have opened a new accommodation facility for homeless women with the support of Audemars Piguet."

When you lose your home and your address, you cease to exist for society. Founded in 1994, La Virgule is a Geneva-based association that provides accommodation for homeless people who often lose their jobs and homes due to dramatic situations. The association also has a rehabilitation programme to help these men, women and families regain their rights and their social life.

In Switzerland, Covid-19 highlighted the precarious situation of many people, including women who often

face additional security threats. Audemars Piguet has enabled La Virgule to realise a project that was in the pipeline for a while: opening a dedicated facility for women. Thanks to AP's contribution, La Virgule was able to provide accommodation and meals to 7 homeless women, including an 81-year old who was evicted from her apartment. Its three-year support plan will also help these women become autonomous again and successfully reintegrate society.



BICKY LAM ASSISTANT ADMINISTRATOR MANAGER AUDEMARS PIGUET HONG KONG

"Joining hands is key to assist our community and lead large-scale change."

Audemars Piguet's subsidiaries work together with the headquarters on all aspects of the Group's business, including its CSR strategy. A network of CSR Champions, spread across departments and subsidiaries, carries out the CSR action plan and communicates on the best practices and standards to apply across the different spheres of activities.

In my role as CSR Champion for Audemars Piguet Hong Kong, I have been organising regular CSR-related activities for the Hong Kong team to raise employee awareness and support local NGOs. Recently, several employees spent a day at Food Angel Food Station to help handle vegetables together with other volunteers from different sectors. This programme launched in 2011 by

Bo Charity Foundation rescues edible surplus food to prepare nutritious meals before distributing them to Hong Kong's underprivileged communities. Our employees also participated in a coastal clean-up with The Green Earth, a local NGO working towards establishing a sustainable living environment in Hong Kong through public awareness and community mobilisation.

We are aware that our team's community and environmental engagement concerns a single subsidiary. But by joining force with HQ and the other branches of the Group, we are proud to contribute to an overall movement that has a much greater impact and this is what motivates us on a daily basis.

AURÉLIEN DEBEYER HEAD OF CORPORATE SOCIAL RESPONSIBILITY AUDEMARS PIGUET

"Listening to our stakeholders is vital to maximising our positive impacts."

This document pays tribute to all our talents and partners who work on a daily basis to improve our impact and inspire change. It also introduces the structure and the long-term sustainable and responsible strategies we started to implement on all fronts.

- 1 We measure our impact applying various reporting methods and audits to identify areas of improvement.
- 2 We set goals, aligned with our Corporate Social Responsibility Policy, to challenge our operations and generate positive impact.
- 3 We take action, working with our partners, to establish innovative solutions and make our industry more transparent, sustainable and responsible.

Today, we believe that sharing our engagements with other stakeholders can help us create positive change across the industry.

In terms of governance, Audemars Piguet's CSR Committee, which includes representatives from the executive management and various departments, is responsible for ensuring compliance with our high standards in CSR-related areas. It anchors the 4 CSR pillars in the company's corporate strategy and defines concrete targets and measures to reach our goals. Implementation is coordinated and steered by our Continuous Improvement department and supported by a network of CSR Champions spread across departments and subsidiaries. Our approach to corporate responsibility is approved and overseen by Audemars Piguet management and the Board of Directors.

Always looking to the future, Audemars Piguet and the partners in its value chain want to push back the limits in terms of sustainable development in a reliable, realistic and uncompromising manner. Let's continue to work together to ensure a sustainable future for the next generations and prosper as a virtuous community.







Contact

For further information about this document and Audemars Piguet's approach to sustainability please feel free to contact us — CSR@audemarspiguet.com

The environmental data published in this document is based on our 2019 CO2 and LCA reports. We have used 2019 data for one simple reason: as Covid-19 affected our operations, we cannot use 2020 data as a fair representation of our impacts.

