



Message from Breitling CEO, Georges Kern

19 September 2024

Dear Breitling Squad,

At Breitling we strive to craft responsible products while optimizing our social and environmental impact and acting with principles of inclusion and transparency. We know that sustainability benefits our bottom line and results in higher quality products with greater relevance to all our stakeholders.

Breitling is committed to conducting its business in a sustainable manner and is pleased to provide its Environmental, Social, and Governance (ESG) Policy in order to guide our conduct across these areas. This policy applies to all managers and employees of the Breitling Group, irrespective of what they do or where they are. It considers the full known scope of our potential impacts from the perspective of ESG.

I am personally asking for your commitment to bringing the principles in this policy to life in each of your business actions and stress that we are each individually accountable for the implementation of this policy. Thank you in advance for your contributions to a more sustainable future for Breitling and its stakeholders.

Best regards,

A handwritten signature in blue ink, appearing to read 'Georges Kern', with a horizontal line extending from the end of the signature.

Georges Kern
CEO

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1. Purpose and Scope

Breitling SA and its subsidiaries are committed to responsible principles of business conduct that ensure the resilience of its business activities in a manner that respects the needs of all its stakeholders across environmental, social and governance considerations.

This ESG Policy articulates our commitments in this area and practical implications for business conduct based upon these commitments. It is applicable to Breitling SA, its affiliates, each of its subsidiaries (hereinafter referred to as "Breitling") and each employee thereof. At Breitling retail locations worldwide, including but not limited to its own boutiques, external boutiques, shop-in-shops, corners, buildouts in new boutiques and refurbishments, each element of this ESG Policy applies. To the extent that external stakeholders are affected by elements listed herein, these are duly noted as such in order to guide Breitling actions and their consequential implications.

In the formulation of this policy, Breitling has referenced leading international benchmarks in each of the topical areas addressed herein, the commitments it has established for itself in order to align with international standards and best practices and the foreseen mechanism to achieve these commitments, along with guiding principles and objectives outlined by, for example, the United Nations Global Compact (UNGC), the United Nations Sustainable Development Goals, and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the OECD Conflict Minerals Guidance including Annexes, the International Labour Organization (ILO) Convention 138 and 182, the ILO Child Labour Guidance Tool for Business, the OECD Due Diligence Guidance for Responsible Business, the UN Guiding Principles on Business and Human Rights, the UN Declaration on the Rights of Indigenous Peoples, ILO Convention 169, the Convention on Biological Diversity; and the UN General Assembly Resolution 76/300 on rights to a healthy environment.

This ESG Policy is effective as of 19 September 2024.

2. Product

2.1 Supply chain and sustainable procurement policy

Ensuring consistent supply chain management principles and sustainable procurement practices is at the heart of Breitling's commitment to optimizing its social and environmental impacts along the value chain. Key components of our supply chain and sustainable procurement policy are outlined below. This policy applies to all supply chain activities of Breitling. All Breitling employees must ensure handling of business conduct in line with the Breitling Employee Code of Conduct and apply the principles therein when making business arrangements in order to ensure the application of the principles of the Breitling supply chain and sustainable procurement policy to relevant business activities. To this effect, this document should be consulted before starting any work, or procuring goods or services, along with ensuring adherence to the Breitling Supplier Code of Conduct.

2.1.1 Supply chain management system for sustainability

Our expectations of our suppliers are clearly established in the Breitling Supplier Code of Conduct to which suppliers are expected to adhere. Sustainability aspects of our supply chain management system are detailed herein in the Breitling ESG Policy.

Breitling representatives responsible for supplier contracting are duly expected to make their suppliers aware of the Supplier Code of Conduct and ensure, together with Breitling internal stakeholders the implementation of guidance therein and in this ESG Policy in contracting processes and throughout the business relationship, as further outlined in the Employee Code of Conduct.

Supplier sustainability performance and a due diligence risk identification will be further informed by and documented through an annual independent EcoVadis assessment, particularly for suppliers representing a high portion of our spend.

For specific supply chains, including minerals and metals, further guidance is enumerated below.

2.1.2 Sourcing of conflict minerals policy

Mining operations, mineral processing and refining operations due diligence review is led by the sustainability and operations departments. It consists of desktop-based document review, remote interviews with value chain partners, and on-site auditing of practices to ensure adherence to the Supplier Code of Conduct and ESG Policy and the relevant international standards upon which both are based. Further oversight on operational matters is provided by the operations department, particularly among processing partners who handle refined gold and semi-finished products, to ensure it is being handled in a manner consistent with Breitling expectations, including, for example, the segregated handling of gold containing alloys and the treatment of resulting scraps. Key processes and updates with regards to gold sourcing are regularly presented to Breitling senior management and to the Breitling Board ESG Committee.

Supply chain risk assessments are reviewed by colleagues with related expertise and scope of operational oversight and by Breitling management and board members in the board ESG committee. Risk assessments are carried out by Breitling, including in its double materiality assessment process aligned to the guidance of the European Union Corporate Sustainability Reporting Directive and by assessments conducted by its supply chain partners acting on the ground, including Swiss Better Gold. Risks are reviewed on a biennial basis at a minimum in the case of the double materiality assessment and on a quarterly basis, or more often as needed, by Swiss Better Gold.

In order to identify all suppliers, Breitling intentionally began shifting its gold sourcing practices, beginning in 2021, to artisanal and small-scale gold traceable to specific suppliers. Internal systems of transparency are primarily based upon updates being provided to Breitling management at the regular meetings of the board ESG committee. Relevant documentation is maintained on Breitling servers and is available to those working in relevant areas or as needed upon demand. Relevant due diligence throughout the supply chain is shared with actors across the supply chain where relevant to maximize the value of shared resources.

In the sourcing of minerals from conflict-affected and high-risk areas, Breitling references in its entirety the Model Supply Chain Policy for Responsible Global Supply Chains of Minerals from Conflict-Affected and High-Risk Areas as published by the OECD in Annex 2 of the third edition of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. In cases of non-adherence, Breitling will engage with the supplier to understand and where possible, improve the situation, or if necessary in the case of remedy not being forthcoming, impose penalties up to and including suspension or termination of the business relationship. Material segregation methods are to be established in consultation with suppliers handling conflict minerals and Breitling in order to facilitate traceability and conduct necessary due diligence and supplier engagement activities.

When not already listed in the smelter look-up in the latest version of the Responsible Minerals Initiative Conflict Minerals Reporting Template, suppliers of conflict minerals are to complete a Conflict Minerals Reporting Template (CMRT) based on that of the Responsible Minerals Initiative (RMI) on an annual basis in order for Breitling to assess practices in place and determine their alignment with the standards outlined in this policy and the Supplier Code of Conduct. Audits are conducted along the supply chain, by Breitling or by authorized counterparts, in order to verify key aspects of operations and ensure these are in line with relevant guiding principles.

2.1.3 Gold sourcing policy

As a member of the Swiss Better Gold Association (SBGA), Breitling is committed to developing traceable and responsible supply chains for eligible artisanal and small-scale gold mining producers. For this reason, all suppliers of gold-containing products to Breitling should, in alignment with Breitling, ensure the use of SBGA material, including with relevant segregation steps taken along the supply chain in order to ensure traceability. Exceptions are to be confirmed with Breitling prior to product delivery while this transition completes until March 2026 and covered exclusively by a responsible source agreed upon by both parties. For its purchases of SBGA step II material, Breitling pays a mandatory premium determined by the Swiss Better Gold Association (at the time of publication, USD 1 per gram of fine gold; as of 1 January 2025, USD 1.35 per gram of fine gold). For Swiss Better Gold Association step I material, Breitling issues a voluntary contribution amounting to USD 0.50 per gram of fine gold.

2.1.4 Diamond sourcing policy

Breitling is committed to developing traceable and responsible supply chains for diamonds. All lab-grown diamonds must be purchased from producers accredited to the SCS-007 Jewelry Sustainability Standard – Sustainability Rated Diamonds. Any mined diamonds must be procured in conformance with the Kimberley Process Certification Scheme for rough diamonds and the World Diamond Council System of Warranties for polished diamonds. Traceability mechanisms are to be enabled in a manner defined by all value chain participants. Audits will be conducted regularly along the supply chain to assess chain of custody protocols and further relevant topics.

In order to make meaningful contributions to the diamond value chain, including its own lab-grown diamond value chain and local communities, Breitling has established a Better Diamond Fund to provide support for social and environmental activities. Currently, this is funded through an internal premium placed upon each carat of lab-grown diamonds purchased of CHF 30 per carat.

3. Planet

The existential crises posed to humanity by climate change, extinction, and freshwater depletion, to name only a few examples, necessitate urgent action on the part of all parties to respect our environment. Pursuant to UNGC principles 7, 8, and 9, Breitling is committed to adopting a precautionary approach to environmental challenges, undertaking initiatives to promote enhanced environmental responsibility and encouraging the development and diffusion of environmentally friendly technologies and behaviors. In the conduct of its business activities, including materials sourcing and product design, Breitling will seek to minimize its impact on the environment by implementing an environmental management system that reviews and evaluates its impacts while seeking to constantly improve its performance and conserve environmental resources.

Breitling is committed to consult with stakeholders on environmental issues and to seek and take into account the views of those impacted by the company's operations. Breitling commits to train employees to protect the environment and to create environmental awareness among customers and suppliers. The Speak Up mechanism of Breitling, detailed in section 4.3 of the ESG Policy, is equally open to raise any concerns or grievances with regards to the implementation of the environmental policy.

3.1 Environmental policy and code of conduct

In order to be a responsible steward of resources, Breitling is committed to managing and mitigating its environmental impact in all its activities. Specific guidance regarding business conduct is elaborated below.

3.1.1 Energy consumption, greenhouse gases, and air pollution

When contracting the purchase of energy, 100% renewable energy is to be chosen. Given the potential higher cost of renewable energy sourcing, appropriate budgeting steps should be taken in due time in order to facilitate the switch to, or maintain the sourcing of, renewable energy. Where this is not feasible, the Breitling sustainability department is to be notified so other measures may be taken to ensure adherence to our target of 100% global renewable energy consumption by the end of fiscal year 2026, or March 2026.

Where feasible, biogas, pellet heating or heat pump should be selected to minimize emissions. In cases where fuel switching is not viable due to operational or financial constraints, appropriate measures should be taken to explore alternative emission reduction strategies including energy efficiency. If the transition to cleaner fuel sources cannot be achieved, the Breitling sustainability department must be notified to explore alternative mitigation measures to meet emission reduction targets.

Breitling is reducing its emissions in line with the Corporate Net Zero Standard of the Science Based Targets initiative, by which its targets are validated. In line with these efforts, Breitling is committed to cease all spending on, and revenue generation from activities that contribute to fossil fuel expansion.

3.1.2 Carbon management

Breitling applies a reiterative hierarchy of measuring, mitigating, and neutralizing greenhouse gas emissions and key international frameworks in its approach to carbon management. Chief among these are the United Nations Framework Convention on Climate Change (UNFCCC) and the 2015 Paris Agreement which aims to limit global warming. In measuring emissions, we apply the Greenhouse Gas (GHG) Protocol corporate standard. To validate

our methodology and accounting, we employ assurance across scopes 1 to 3 by an independent assurance practitioner. Public-facing emissions reporting is issued on an annual basis based on our most recently ended fiscal year report to the Carbon Disclosure Project (CDP), and within the annual Breitling Sustainability Mission Report.

Carbon emission calculation is subject to uncertainty as some of the activities data are based on estimates and secondary data. We aim to continuously improve the methodology and establish primary data over time by involving key stakeholders across our value chain. We always assume a conservative approach in estimating our impact and applying average emissions factors. In the conduct of our carbon accounting, we collaborate with employees across departments, external suppliers, and third-party experts to develop and validate our carbon footprint in line with the guidance of the GHG protocol. In order to measure progress against its stated environmental objectives, Breitling is committed to conduct regular internal and external audits on material subjects related to carbon impact and to monitor and track related environmental indicators.

3.1.2.1 Organizational structure and boundaries

The operational control approach is used to set the organizational boundaries for Breitling SA. We produce Swiss luxury watches at two of our sites in Switzerland (Grenchen and La Chaux-de-Fonds). Our headquarters offices are located in Switzerland, and we have subsidiary offices worldwide. Our products are sold worldwide by boutiques managed by Breitling (internal boutiques) and partners (external boutiques). We do not have operational control over our external boutiques.

3.1.2.2 Scope 1 and 2 emissions

For scope 1 (mobile and stationary) & 2 (purchased electricity) emissions we measure direct greenhouse gas emissions including at our headquarters, subsidiaries at global scale, internal boutiques, and global vehicle fleet. We work collaboratively with our providers to obtain primary consumption and emissions data. If the primary data is unavailable, we will calculate our impact based on surface and building intensity methodology for scope 1 stationary combustion and scope 2 emissions. For scope 1 mobile combustion emissions we will calculate our carbon impact based on the average consumption of our global vehicle fleet.

3.1.2.3 Scope 3 emissions

The following categories within Scope 3 are calculated, based upon their material contributions to our carbon footprint: 1 (purchased goods and services), 3 (fuel- and energy related activities), 4 (upstream transportation and distribution), 6 (business travel), 7 (employee commuting), and 14 (franchises). Details of each are provided below.

Purchased goods and services: for gold, watch components, furniture, visual merchandising displays, packaging, and gifts, the carbon footprint is calculated with primary data and an average-data method.

For fuel and energy related activities, annual consumption from scope 1 stationary and mobile combustion have been summed and multiplied by the well to tank heat factor and well to tank steam factor. Electricity annual

consumption from scope 2 has been allocated per country and multiplied by country well to tank transmission and distribution losses factors including generation of electricity.

Global upstream transportation and distribution emissions are provided directly by our logistics service providers or estimated based on distance and volume.

Business travel from headquarters is based on carbon accounting provided directly by our travel partner. For business travel occurring among our subsidiaries, it is calculated based on a global survey and extrapolation.

Employee commuting emissions are based on a 2022 survey conducted among randomly selected employees globally. Main transportation mode, number of working days, and average distance travelled have been the key factors measured to estimate the Breitling employee commuting carbon coefficient.

For all external boutiques (franchises), we consider the surface and the building energy intensity methodology to calculate electricity and heating consumption over the year.

3.1.2.4 Carbon fund

In order to mitigate its environmental impacts, Breitling is committed to taking environmental action beyond compliance, reducing its greenhouse gas emissions and mitigating the impact of all calculated emissions which are assigned a shadow carbon price of CHF 40 per ton of carbon dioxide equivalent, following the minimum pricing guidance of the Carbon Pricing Leadership Coalition. Methods to distribute this to the cost centers in which they are accrued is currently under review.

3.1.3 Facilities

Our aim is to be at the forefront of facility management and usage of our premises to support our sustainability efforts and therefore be open to use modern technologies and improve over time. In order to guide our practices accordingly, this section of the ESG Policy outlines key measures related to facilities. This documentation applies to internal and external boutiques alike and is to be applied from the outset of procurement activities to ensure that any materials or related services for the build-out and maintenance of boutiques adhere to the guidelines established herein.

3.1.3.1 Architecture

In the construction and refurbishment of Breitling premises, appropriate steps should be taken in the course of project planning and budgeting in order to implement best environmental practices, particularly as green building may require an additional investment. In preparing a project proposal, potentially higher upfront costs in addition to the long-term potential cost savings, health and environmental benefits, should be factored into an appropriate business case.

In implementing a construction or refurbishment project, the use of local teams and resources should be given preference in order to reduce the environmental impact of long-distance shipping, transportation, and travel. When shipping is necessary, train or sea freight should be prioritized and duly scheduled into project planning, as well as electrical vans or electrical lorries.

In conceptualizing a project, end goals concerning building certification systems should be considered from the outset. Where relevant, projects should align their efforts with the achievement of a rigorous rating system including global and regional building certification such as Leadership in Energy and Environmental Design (LEED), Building Research Establishment Environmental Assessment Model (BREEAM), WELL, Deutsche Gesellschaft für Nachhaltiges Bauen (DGNB), Minergie, or other relevant and similarly ambitious schemes. The structure of these certification systems, and the determinants of achieving these, should be considered when determining which measures should be taken in the construction process (e.g., installing heat recovery systems, lighting controls, low water devices, or showers to facilitate commute by bicycle).

In choosing materials, the impact of materials over the course of their lifespan is to be considered. Recycled materials shall be considered and, whenever feasible, the approach towards circular construction should be considered as well in order to adopt the practices with the greatest life cycle impact, from procurement to disposal and reuse. Eco-friendly materials with low toxicity that are recyclable and locally sourced should be prioritized. Low volatile organic compound (VOC) content should be ensured for all types of sealants, sealant primers, adhesives, composite wood components, AgriFiber products, floor finishings, and coverings. When selecting plywood, reclaimed wood or FSC™-certified products should be used. When choosing plants for external or internal landscape, local native species are to be selected. Whenever possible, alternative leathers should be prioritized, provided the specific materials selected present a lower environmental impact over their life cycle. When purchasing textile-based materials, the use of materials which have been sustainably produced from a social and environmental perspective should be prioritized.

3.1.3.2 Office materials

In office management, resource stewardship is to be prioritized. When purchasing paper-based materials (e.g., printing paper, promotional materials, point of sale materials, sanitary paper, cardboard boxes), Forest Stewardship Council™ (FSC) materials are to be selected. Paper use should be reduced, and wastepaper reused and/or recycled.

3.2 Waste and circularity

Every effort should be taken from the outset to reduce waste and for all resulting waste, appropriate measures should be taken to ensure it is treated to the highest possible environmental standard. In particular, plastic consumption should be avoided whenever possible, and where used, appropriate recycling measures be implemented to adhere to our goal of generating zero plastic waste across operations by the end of FY26. Recycling should be ensured to treat waste streams at high volumes (e.g., paper products and plastics) and for harder to recycle materials, including e-waste and chemical waste, proper disposal and other means of treatment including recycling, shall be ensured by those responsible for waste disposal at relevant sites worldwide. In order to minimize its impact and adhere to emerging economic principles, Breitling is committed to adopting circular economy actions wherever possible.

3.3 Plastics

The consumption of plastic-based materials is to be avoided whenever possible. This includes, but is not limited to, single-use plastics such as components for packaging or food and drink containers, operations and

productions materials, and other implements. Employees should seek to identify plastic-free alternatives and to independently take steps in order to reduce their consumption of plastic on-site and more broadly if they so choose. In cooperation with suppliers, plastic-free alternatives should be sought and implemented. The use of polyvinyl chloride (PVC) is to be avoided at all costs given its toxicity and difficulty to recycle.

3.4 Chemical management

The management of chemicals at any Breitling premises and for any purpose must occur in a manner in strict adherence with the policies of the local jurisdictions in which the operations occur, including, but not limited to, the provision of a chemical storage facility including limited access thereto, along with the provision of proper protective equipment to all with responsibility for handling the chemical substances. All activities in this regard must align with the European Union Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation, or other relevant local guidelines.

3.5 Logistics

In the use of all logistics services and products (e.g., packaging) worldwide, Breitling commits to the use of providers who take steps to reduce their environmental impact, duly providing reports of their impact in order to enable the sustainability reporting of Breitling and to track the impact of its logistics footprint. Where possible, sustainable transport options should be sought and prioritized (e.g., the use of electric vans for last mile delivery, sea and air freight using advanced and more efficient technology or alternative fuels). In packaging its goods, Breitling applies a mitigation hierarchy of avoiding, reducing, and recycling packaging materials.

3.6 Travel

In planning business travel, it should be carefully considered whether the trip must occur, e.g., that the meetings contained in an itinerary do in fact require physical presence. Further reference in trip planning should be made to the Breitling Travel Policy. In order to aid greenhouse gas accounting and adhere to corporate regulations, all trips across entities must be purchased using official Breitling travel booking platforms.

When leasing or purchasing a car for official use, the purchase of electric vehicles is to be prioritized. Exceptions to the purchase of electric vehicles must be made in writing to the Chief Administration Officer and the Global Head of Facilities and HSE of Breitling and a compelling reason must be stated for an exception to be granted, which should seek at a minimum to use hybrid technology.

3.7 Water and oceans

Within its own operations and across its known supply chain, Breitling is committed to water stewardship, reducing water consumption and water withdrawal and to controlling, reducing and where possible eliminating water pollution. When designing building infrastructure, efficient water use should be prioritized along with the implementation of relevant aspects to building design, including water-saving devices placed on water taps, or the use of grey water (e.g., gently used water from bathroom sinks or washing machines) and rainwater in sanitation installations. In addition to ensuring the sourcing of energy-efficient devices, water-efficient devices should also be prioritized in the purchase of all washing machines for production, food and drink, or any other

installations. Where relevant, water-recycling measures should be in place. All steps will also be taken in order to ensure no water pollution occurs as a result of Breitling operations.

Breitling supports the stewardship of our oceans and will seek to minimize its impact on ocean ecosystems by reviewing practices across its value chain in order to assess key areas of impact and identify means of improvement. This includes, but is not limited to, raw material sourcing, waste management practices, and climate change impacts.

3.8 Biodiversity

Breitling supports the retention, restoration, and regeneration of biodiversity. Breitling will seek to minimize its impact on biodiversity while using biological resources sustainably and continually strengthening its related management systems. To support its efforts in this regard, Breitling will also review the impact of its activities, particularly its sourcing activities, on related factors such as deforestation. Breitling supports the Convention on Biological Diversity (CBD) and the international agreements outlining its implementation including the Cartagena Protocol on Biosafety and the Nagoya Protocol.

Breitling is committed to limit operational activities near sites containing globally or nationally important biodiversity, to avoid negative impacts on threatened and protected species, and to respect legally designated protected areas for its own operations and its known supply chain. Furthermore, Breitling is committed to the application of mitigation hierarchy when operating in areas in close proximity to critical biodiversity by working with external partners to fulfil the commitment.

3.9 Animal welfare policy

As outlined in the Supplier Code of Conduct, all suppliers responsible for handling animals must observe applicable laws and industry standards regarding raw materials sourced from endangered or protected species. Breitling will implement auditing procedures carried out by itself or designated counterparts in order to assess adherence to this policy. In the reporting cycle of FY25, Breitling is refining its approach in a materials guide that will be issued following the release of this version of the ESG Policy.

3.9.1 Our values

At Breitling, we believe animals have the right to be treated with respect, care and dignity. We recognize animals as sentient beings with complex emotional lives and needs, as well as behavioral and physical needs which must be met. We also recognize animals as, like us, a part of nature: their protection is interconnected to our own and planetary wellbeing. As we continue to make progress towards our values, we aim to ensure our current animal-derived material sourcing aligns with these values as much as possible.

3.9.2 Commitment to the Five Domains of Animal Welfare

Breitling aligns its animal protection and welfare policy with the internationally recognized Five Domains of Animal Welfare model, as well as the United Nations 'one health' approach, which recognizes animal, human and planetary wellbeing as interconnected. The Five Domains model was developed to build on the World Organization for Animal Health's Five Freedoms model. These five freedoms include: 1. Freedom from Hunger and Thirst, 2.

Freedom from Discomfort, 3. Freedom from Pain, Injury or Disease, 4. Freedom to Express Normal Behavior, and 5. Freedom from Fear and Distress.

3.9.3 Animal-derived materials permitted by Breitling

Presently, Breitling makes use of two animal-derived materials for its watch straps: Calf skin leather and alligator skin. Breitling currently sources alligator skin leather for its watch straps. Breitling commits to not engage in the trade of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) listed species. Breitling prohibits all wild animal material usage and sources alligator skin leather solely from farming operations in the USA. Breitling currently uses the skins of bovine calves primarily for its leather watch straps and for boutique furnishings. All other animal-derived materials are prohibited from use by Breitling. By focusing our use of animal-derived materials, we are better able to ensure the welfare of animals in our supply chains. To support accountability and verification, we will implement auditing processes carried out by ourselves or designated counterparts in order to assess adherence to this policy.

3.9.4 Biodiversity and associated animal welfare impacts

Potential land clearing and transformation in Breitling raw material supply chains can negatively impact the welfare of wild animals, even resulting in death. While development of indirect animal protection and welfare policy is new, Breitling is committed to protecting wildlife surrounding its supply chains. Breitling is committed to further research into potential wildlife risks across all of its material supply chains, which can inform future policy updates. Breitling recognizes that its wider sustainability strategy implicates the lives and wellbeing of wild, native animals, and is committed to continually reducing its negative impact on biodiversity.

3.10 Nature leave

Each Breitling employee is entitled to one day of leave per year to be spent in nature in a location of their choice. This day of leave is intended to facilitate the employee's connection to nature and the many benefits this entails, along with a greater connection to the planet and consideration of the conservation of its resources. In planning their day of nature leave, employees can consider local options to be in nature, or if travelling, doing so by walking, bicycle or public transport. Employees are encouraged to use this day of leave to also provide a service to nature, for example, by collecting and properly recycling/disposing of trash using proper sanitary protection in the course of the day.

4. People

The values with which we conduct ourselves as individuals at Breitling are laid out in the Breitling Employee Code of Conduct, which this ESG Policy references in its entirety concerning all topics raised therein. In addition to these and references made to the treatment of human rights in the Breitling Supplier Code of Conduct, Breitling explicitly states herein its approach to the treatment of all its people and stakeholders, be they customers, employees, business partners, civil society, and participants along its value chain, including the communities in which Breitling operates.

Breitling adheres to all relevant employment, labor and human rights laws, industry standards, and international norms across its business activities and operations in accordance with the ILO Child Labour Guidance Tool for Business. Breitling employees are encouraged to report any suspected or potential misconduct to the Speak Up line, information regarding which is available to every employee at each Breitling entity.

4.1 Supporting sustainability success

To support our overall efforts incorporated in this document, ESG performance is also used in determining the performance award pool across Breitling, measured against key sustainability focus areas outlined herein.

4.2 Human rights statement and policy: Breitling's commitment to respect human rights

Breitling is committed to upholding the United Nations Universal Declaration of Human Rights. Pursuant to the UNGC principles 1 and 2, Breitling is committed to supporting and respecting the protection of internationally proclaimed human rights and ensuring that neither Breitling SA and its subsidiaries, nor its business partners, are complicit in human rights abuses. Breitling is resolutely opposed to any and all forms of abuse or physical punishment, human trafficking, or forced labor, including child labor.

4.2.1 Organisation structure and supply chains

Through its supply chain due diligence activities outlined below and elsewhere within this document, we believe Breitling SA and its affiliates (hereinafter referred to as "Breitling") are fully compliant with the requirements of the Modern Slavery Act 2015 and the California Transparency in Supply Chains Act of 2010. We source inputs for our products and for our retail operations globally, including from Switzerland, Germany, France, India, Italy, Thailand, China and Peru.

4.2.2 Policies in relation to modern slavery and human trafficking

At Breitling we strive to craft responsible products while optimizing our social and environmental impact and acting with principles of inclusion and transparency. Ensuring sustainable procurement practices is at the heart of Breitling's commitment to optimizing its social and environmental impacts along the value chain. Our expectations and criteria, which our suppliers need to fulfill, are clearly established in the Breitling Supplier Code of Conduct and further outlined herein, in the Breitling ESG Policy.

Breitling representatives responsible for supplier contracting are duly expected to make their suppliers aware of the Supplier Code of Conduct and ensure its uptake in contracting processes and throughout the business relationship, as further outlined in the Breitling Employee Code of Conduct. Supplier sustainability performance and a due diligence risk identification is managed by several teams at Breitling, including sustainability, group legal and compliance as well as operations. Site visits are conducted to particularly sensitive areas of repeated sourcing. Overall supplier due diligence documentation is further informed by and documented through an annual independent EcoVadis assessment.

In the sourcing of minerals from conflict-affected and high-risk areas, Breitling references in its entirety the Model Supply Chain Policy for a Responsible Global Supply Chain of Minerals from Conflict-Affected and High-Risk Areas as published by the OECD in Annex 2 of the third edition of the [Due Diligence Guidance for Responsible Supply](#)

Chains of Minerals from Conflict-Affected and High-Risk Areas in its Supplier Code of Conduct and Sourcing of Conflict Minerals Policy.

As a member of the Swiss Better Gold Association (SBGA), Breitling is committed to developing effective, sustainable and responsible supply chains for eligible artisanal and small-scale gold mining producers. For this reason, all suppliers of gold containing products to Breitling should, in alignment with Breitling, ensure the use of SBGA material. Exceptions are to be confirmed prior to product delivery with Breitling and covered exclusively by certified Chain of Custody (COC) material. All diamonds suppliers are required by Breitling to adhere to relevant processes, including those established by the Kimberley Process Certification Scheme for mined diamonds or established in the SCS-007 Jewelry Sustainability Standard – Sustainability Rated Diamonds for lab-grown diamonds.

Pursuant to the United Nations Global Compact (UNGC) Principles 1 and 2, Breitling is committed to supporting and respecting the protection of internationally proclaimed human rights and ensuring that neither Breitling SA and its subsidiaries, nor its business partners, are complicit in human rights abuses. Pursuant to principles 3, 4 and 5, it furthermore upholds the freedom of association and recognizes the right to collective bargaining while being strictly opposed to all forms of forced and compulsory labor, including child labor, in its direct operations and along its value chain. As an inclusive brand, Breitling stands resolutely to eliminate discrimination in respect of employment and occupation, pursuant to UNGC Principle 6.

Breitling is resolutely opposed to any and all forms of abuse or physical punishment, human trafficking, forced labor including child labor and does not condone any form of discrimination, harassment or bullying. It is strictly opposed to any form of discrimination in the selection of employees or business partners, in addition to any type of discrimination with regards to recruitment, retention, training, promotion, appraisal, compensation or termination of employees. This includes discrimination on the basis of gender, race, national origin, sexual orientation, religion, disability or any other illegal basis.

In all its business activities across countries and regions, Breitling complies with local, national, and international laws and regulations, as may be applicable, in letter and spirit and conducts all its business operations with integrity, respect and responsibility. Breitling works against corruption in all its forms, including extortion and bribery, in line with the UNGC Guiding Principle 10 and as further outlined in a complementary manner in the Breitling Employee Code of Conduct and the Breitling Supplier Code of Conduct.

4.2.3 Due diligence process

The Breitling Board of Directors, the Board ESG Committee, the Chief Administrative Officer and the Chief Sustainability Officer are responsible for the supervision and management of our overarching environmental, social and governance (ESG) frameworks. These frameworks are embedded into our daily activities namely through our procurement and vetting process for the onboarding of new suppliers.

We require all suppliers providing gold containing components to declare the refineries handling the raw material. Annual reporting concerning this is available in our Sustainability Mission Report and details relevant credentials. We work directly with suppliers of diamonds to assess sourcing practices and alignment to key

standards, including those established by the Kimberley Process Certification Scheme or established in the SCS-007 Jewelry Sustainability Standard – Sustainability Rated Diamonds.

4.2.4 Risk assessment

To assess our risk exposure related to human rights including modern slavery along our supply chain, we ask key suppliers to complete an annual, independent, EcoVadis sustainability assessment. This seeks to assess verifiable claims related to: Labor and human rights, environment, ethics and sustainable procurement. At the same time, it conducts a 360° assessment to provide further watch over supplier risk. At the close of our last fiscal year, just over 70% of our case, bracelet and movement parts direct suppliers by spend – those we consider having highest priority from a materiality perspective – have been engaged to complete a baseline EcoVadis sustainability assessment in the reporting cycle. In this process, we have not identified within our own operations or suppliers assessed to date, significant risk for incidents of child labor, forced or compulsory labor. Breitling itself also completes an annual EcoVadis assessment, earning a silver medal for its overall performance in 2023, which is awarded to the top 15% of companies assessed globally.

For ongoing supply chains considered to be in principle particularly high-risk (e.g., gold mining), site visits are conducted by Breitling delegations with sourcing partners. During these visits, adherence to Breitling policies and further external guidance are assessed. These visits are further complemented by regular and ongoing visits, including third party assessments by implementing partners across our supply chains. The latest engagements related to this commitment are detailed each year in our annual Sustainability Mission Report in the people chapter of our report.

4.2.5 Measuring effectiveness

Stakeholder engagement is a key element in ensuring the effectiveness of the efforts detailed herein. On an annual basis, we will measure the efforts of our key suppliers on sustainability topics including human rights to track progress and identify ongoing means of improvement. These annual assessments then inform roadmaps to improve processes moving forward and in case of need, develop remediation measures including independent audits conducted on a risk basis. Progress will be continually reviewed and reported upon annually to ensure we meet our obligations and expectations.

4.2.6 Intersectionality with further commitments and areas of action

Environmental impacts directly affect human rights, particularly for communities with a yet higher reliance on environmental services. For this reason, we are also committed to respecting and implementing the guidance contained within the UN Declaration on the Rights of Indigenous Peoples, ILO Convention 169, the Convention on Biological Diversity; and the UN General Assembly Resolution 76/300 on rights to a healthy environment.

4.2.7 Training for stakeholders

We furthermore have an Employee Code of Conduct and Speak Up line in place to allow employees to report, anonymously if they wish, and without fear of retribution, regarding any practices counter to our standards of business practice outlined in our Employee Code of Conduct or ESG Policy. Staff members at headquarters and global operations have been informed of these tools.

Our Global Speak Up line has recently been extended to include as well suppliers and affected communities. In concert with stakeholders, we will consider how to develop training to raise awareness for these tools as well.

Throughout all our efforts, and together with our stakeholders, we will continually strive to identify means of improving our social and environmental impacts along the value chain and to ensure that due diligence has been conducted to ensure adherence to our key principles. At least on an annual basis, we will systematically review our strategy, policies and practices are coherent with our human rights commitments and report on related outcomes in our annual Sustainability Mission Report.

4.2.8 Responsible engagement with suppliers

At Breitling, we are committed to responsible engagement with our suppliers to ensure ethical and sustainable practices throughout our value chain. If a partner is found to violate key principles such as human rights, labor standards, environmental regulations or ethical business practices, Breitling will take immediate action. This includes investigations, providing corrective measures and if necessary, terminating the relationship with the supplier.

4.2.9 Remedy to affected rightsholders in case of adverse impacts

Should we identify that we have caused or contributed to adverse impacts, we commit to take reasonable action to remediate in a fair and equitable manner. In the case of identification of adverse impacts that have occurred to which we have not caused or contributed to, but which are directly linked to our operations, products or services by a business relationship, we will assess on a case-by-case basis whether it is opportune to voluntarily engage in remediation.

4.2.10 Freedom of association

Pursuant to UNGC principles 3, 4, and 5, Breitling upholds freedom of association and recognizes the right to collective bargaining.

4.2.11 Zero tolerance for forced labor

Breitling is strictly opposed to all forms of forced and compulsory labor, including child labor, in its direct operations and along its value chain. It will regularly assess its own operations, and those of its key suppliers, concerning the risk of forced labor. Breitling is committed to upholding the ILO Conventions 138 and 182. In accordance with the ILO Convention 138 Breitling declares a minimum age for admission to employment or work for Breitling SA and its subsidiaries and business partners of 15 years. Workers under the age of 18 must not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. It will regularly assess its own operations, and those of its key suppliers to ensure the effective enforcement of these provisions. Under the ILO Convention 182, the term child shall apply to all persons under the age of 18.

Breitling is committed to assess its own operations and suppliers on an annual basis and has not identified any significant risk of child labor or forced or compulsory labor. Furthermore, it is committed to actively work with its partners in potentially high-risk areas, such as gold sourcing, to ensure that human rights are respected throughout the value chain and there is no presence of child labor.

4.2.12 No discrimination

As an inclusive brand, Breitling stands resolutely to eliminate discrimination in respect of employment and occupation, pursuant to UNGC principle 6. It is strictly opposed to any form of discrimination in the selection of employees or business partners, in addition to any type of discrimination with regards to recruitment, retention, training, promotion, appraisal, compensation, or termination of employees. This includes discrimination on the basis of gender, race, national origin, sexual orientation, religion, disability, or any other illegal basis. Breitling does not condone any form of discrimination, harassment, or bullying.

4.2.13 Indigenous Peoples and Local Communities

In the conduct of all its business activities, Breitling will respect the rights of Indigenous Peoples and Local Communities. Breitling recognizes, promotes, and respects the rights of Indigenous People to own, use, develop, and control all lands, territories, and resources in their possession along with their cultural and spiritual heritages and values. When Indigenous Peoples and/or Local Communities are impacted by its activities, Breitling commits to apply the principle of free, prior, and informed consent and to continuously engage and inform them throughout the activities impacting them.

4.3 Grievance mechanism

To support a culture of speaking up, Breitling has established a grievance mechanism using the Speak Up platform, where all employees, suppliers or affected communities, irrespective of their location, can report any suspected breach of laws or internal policies. Through this platform, stakeholders can report anonymously or choose to disclose their identity in their own language by phone or via the website. Reports are handled fully confidentially, and good faith reports can be submitted without fear of retribution. Through the abovementioned processes we duly and fully adhere to the non-judicial grievance mechanisms outlined in the UN Guiding Principles on human rights.

4.4 Community engagement policy

Breitling will support the communities in which it operates globally, with a focus on initiatives that seek to address socioeconomic inequalities, environmental protection, and economic development. Breitling employees are furthermore encouraged to contribute to their communities and each staff member is entitled to one day of paid leave per year in order to participate in officially organized or management-approved, individually arranged volunteer events.

4.5 Ethical marketing & advertising

In its global activities, Breitling is committed to ethical marketing and advertising practices. This includes ensuring accurate and balanced information about products, rejecting exaggerated claims about the social and environmental impacts of our work, protecting vulnerable market segments and abstaining from disinforming customers on competitors' work.

4.6 Health, safety and security policy

Breitling is committed to protecting and guaranteeing the health and safety of all its employees. The Health, Safety, and Environment (HSE) Manager is responsible for overseeing the implementation of the Breitling Health Management Program. Safety and security risks in the workplace as well as physical security are managed by the Senior Facility Manager for BSA and BCR, by the Office Manager in BSZ and by the person in charge of the respective subsidiary. To achieve a robust management of health and safety, employees are provided with relevant health and safety information along with training and guidance. Proper design and maintenance of operating equipment is ensured. Fire protection, first aid, and evacuation procedures are in place. Physical security and surveillance measures are taken, and corrective actions are continually reviewed and implemented. In order to align accordingly between the HSE Manager and the facility person in charge, a regular coordination shall be setup.

5. Governance

5.1 Determining priorities

Our double materiality assessment forms the basis for identifying and prioritizing material topics, which are duly managed to assess progress. Our sustainability strategy and targets are defined by the CEO and the executive management and reviewed by the ESG committee of the board of directors. Our sustainability performance against targets is measured with key performance indicators which are reviewed together with the progress on key initiatives and ESG topics at least quarterly by management and the ESG committee, which in turn reports to the Board of Directors after each meeting – these happen on a quarterly basis or more often as needed.

5.2 ESG governance

The chairperson of the ESG Committee has responsibility for ESG, including climate change, biodiversity and water, at the board level, whereas the Chief Administrative Officer manages ESG at executive management level. The Chief Sustainability Officer is a dedicated senior management position and responsible for formulating and implementing our sustainability roadmap and initiatives. The role is further supported in the department by a Sustainability Manager and a Sustainability Specialist, along with numerous horizontal collaboration partners across the organization.

The organization as well as the duties and competences delegated by the board to the Chief Executive Officer who is assisted by the other members of the management (supported by the relevant departments) are set out in the Organizational Regulations of Breitling SA. Breitling operates a compliance management framework based on regular compliance risk assessments and deploys Employee and Supplier Codes of Conduct, relevant policies and procedures, as well as corresponding training and audits. These are conducted by Breitling itself or by authorized counterparts with specialization in the topic concerned.

5.3 Commitment to engage in integrated, multi-stakeholder initiatives

Across the full scope of our sustainability activities, we are committed to engage in integrated, multi-stakeholder initiatives in order to contribute to and benefit from larger-scale initiatives with the potential to deliver greater shared outcomes.

5.4 Regulatory adherence

In all its business activities across countries and regions, Breitling complies with local, national, and international laws and regulations in letter and spirit and conducts all its business operations with integrity, respect and responsibility. In addition, the application of this ESG Policy is intended to guide actions in cases where applicable regulations may be less strict.

5.4.1 Sanctions

Breitling is fully committed to adhering to international sanctions regulations in all its business operations. It strictly avoids trading with sanctioned countries, persons, or entities. To ensure robust compliance, Breitling has implemented a specialized Sanctions Policy and accompanying guidelines. These measures are supported by a Dow Jones screening tool integrated into its SAP system, which automatically checks all new points of sale against applicable sanctions lists. The system also allows for manual verification when necessary, ensuring that Breitling consistently upholds the highest standards of compliance with sanctions regulation.

5.4.2 Governance and monitoring of regulatory adherence

Breitling actively participates to conference and commissions of the Fédération Horlogère, in particular to the Legal Watch Monitoring Commission and the Legal Affairs Commission as well as to different specific working groups. Based on the information gathered from the Fédération Horlogère, the Breitling Legal and Compliance department establishes an action plan for each item, allocating the responsibilities to other departments where needed and monitoring at least quarterly the progress. Important new or amended regulations are reported to the management as well as to the ESG Committee.

5.4.3 Corruption

Breitling has a zero-tolerance policy towards corruption and is committed to avoid and counter corrupt practices in all its forms, including extortion and bribery, in line with the UNGC principle 10 and as further outlined in a complementary manner in the Breitling Anti-Corruption Policy and related Q&A, the Breitling Employee Code of Conduct and the Breitling Supplier Code of Conduct. Breitling further conducts appropriate risk assessments on corruption to take all relevant additional measures to counter [risk of] corrupt practices.

6. Effective Date and Review

Breitling will continuously evaluate the overall performance of this policy based upon the objectives established herein. The annual Breitling Sustainability Mission Report and the Breitling Strategic Plan underpin the ESG Policy which is subject to the Board of Directors' approval. If necessary, appropriate incremental amendments to the policy will be considered and approved by the CEO of Breitling. This version of the policy was approved by the CEO of Breitling on 4 September 2024. It was subsequently approved by the Board of Directors on 19 September 2024.