

## 1. Purpose

Breitling AG and its direct and indirect subsidiaries and parent entities [collectively the “Breitling Group”], their employees regardless of their rank, as well as the members of their respective boards of directors, have a **zero-tolerance** policy towards corruption and are committed to avoid and counter corrupt practices in accordance with the Breitling Employee Code of Conduct.

The Breitling Group is further committed to effectively maintain **an anti-corruption compliance management system** contingent on the outcome of risk assessments.

This policy provides guidelines for individual conducts, enables employees to identify and effectively report potential breaches, and it outlines the basic principles and elements of Breitling’s anti-corruption compliance management system.

## 2. Scope of applicability

This policy is a Breitling Group-wide **minimum standard** and may be supplemented by **stricter local rules** wherever the Breitling Group operates, as and when required.

Based on this policy and contingent on the outcome of relevant risk assessments, the Breitling Group may develop **supplementary guidelines**, as and when needed, to detail principles set out in the present policy, for example for gifts and hospitality.

When specific subject-matter or local guidelines exist, they prevail, leaving the present policy with subsidiary validity.

## 3. Responsibility & governance

Each Breitling Group employee [regardless of their rank] is responsible for complying with the principles of individual conduct outlined in the Breitling Group policies including the Breitling Employee Code of Conduct and this anti-corruption policy. It is the obligation of each Breitling Group employee to safeguard the Breitling Group by complying with this policy, and thereby protecting the members of the Breitling AG’s board of directors who remain liable for ensuring compliant undertaking of business by the Breitling Group.

In line with the delegation made by Breitling AG’s board of directors, Breitling AG’s management oversees and ensures the effectiveness of the Breitling Group’s anti-corruption management system, including adequate risk-based reviews of the system, the selection of qualified staff, and providing adequate instruction to such staff.

Operational implementation is **delegated** to the Legal & Compliance department which involves other key departments such as Procurement or Internal Audit where required. It is ensured at all times that the Legal & Compliance department is involved in tasks and responsibilities under this policy and other guidelines derived from the same, and can act independently.

## 4. Principles of individual conduct

### 4.1. Fundamental principles

Breitling Group’s employees are committed to conduct business with **integrity**, adhering to the highest legal and ethical standards. Everything done by or on behalf of Breitling Group’s employees shall have a transparent and legitimate business purpose, free from improper and/or illegal influences.

### 4.2. Principles regarding anti-corruptive practices

Breitling Group’s employees are by all means prohibited from, directly or indirectly:

- a) **Promising, offering, making, or receiving payments, and/or** promising, offering, granting or receiving **advantages in kind or anything of value to or from a decision-maker** of a commercial business, a public official (including a judge, prosecutor or other judicial officer, as well as a member of parliament), or a candidate for public office:
  - [i] in order to **influence a decision** to award business, grant a [commercial or public] license or permit, clear customs or impact any other type of commercial, administrative, judicial or otherwise public or political decision, and/or [ii] which **gives the appearance of influencing** such a decision,

- in order to **accelerate the treatment** of a Breitling Group matter or transaction, or
  - simply to **entail any favourable treatment** of a Breitling Group entity in its relationship with the commercial business or public entity in question.
- b) **Peddling influence**, i.e., making payments, and/or promising, offering, granting or receiving advantages in kind or anything of value **to or from anyone who has influence on any of the above-mentioned** commercial or public/political decision-makers or political candidates, in order to induce such decision-maker, public official or political candidate concerning any of the above-mentioned conduct.
- c) Funnelling money from the Breitling Group's books and records to a third party based on a **fictitious or partly fictitious transaction** (e.g., an agreement for services with overstated fees, or for fictitious services), in order to use (or have other use) the transferred funds in violation of the above-mentioned principles of conduct.
- d) **Manipulating transactional documents** (contracts, invoices, proof of services rendered, payment approvals etc.), documentation of internal controls, book entries and/or financial system master data to cover-up any of the above practices.

#### 4.3. In interacting with business partners and colleagues

Breitling Group employees refrain from any of the above practices whether it is through personal involvement or indirectly through third parties such as agents, distributors, service providers, suppliers of any kind etc.

Breitling Group employees strictly **abide with the procurement policies** and procedures as well as procurement governance in place. In particular, Breitling Group employees solely contract with suppliers according to the internal approval rules.

Before establishing **business relationship with any third party**, adequate internal due diligence, if needed, shall be conducted to assess the third party's commitment to ethical business practice. Breitling's Supplier Code of Conduct or any equivalent code of conduct shall be implemented as appropriate with Breitling's suppliers.

Breitling Group employees, whenever aware, **prevent other Breitling Group employees** from engaging in any practices breaching the above rules when effective intervention is possible.

#### 4.4. Hospitality (entertainment, promotional and other events) and gifts

When receiving or granting a hospitality or gift, Breitling Group employees **avoid any impression of corrupt intent** (e.g., an invitation whose nature and value are at risk of being interpreted in the circumstances as an attempt to influence a public or commercial decision-maker by granting an advantage in-kind). In particular:

- Gifts to or from Breitling Group employees must be limited to **petty items** which do not imply any impression of corrupt intent.
- Breitling Group employees **never make nor accept money gifts**.
- Breitling Group employees **never make gifts to nor accept gifts** from an employee of a counterparty **during ongoing negotiations** with such counterparty.
- Breitling Group employees **avoid systematic/repetitive invitation patterns** of a given public official, commercial decision maker or political candidate.
- Breitling Group employees **avoid lavish or extravagant business hospitality**, as well as in general hospitality that in the circumstances could be interpreted as serving other purposes than just social politeness.

In deciding whether a Breitling Group employee may extend or attend a business hospitality, the general rules set out above and the **following guidelines** have to be taken into account:

- Invitations to attend a business hospitality event with a Prevailing Legitimate Business Focus are typically acceptable and related reasonable costs (if any) for travelling and/or accommodation shall be borne by Breitling Group. **"Prevailing Legitimate Business Focus"** encompasses business hospitality events which

contribute to enhancing the Breitling Group employee's understanding of the business partner or the industry, or which enhance or broaden her/his network or creates goodwill;

- Invitations to attend a business hospitality event which does not have a Prevailing Legitimate Business Focus are not accepted.

For any hospitality (i.e. invitation to a meal, a product presentation event, etc.) or gift having a value **lower than CHF 500** per person or the local equivalent, each Breitling Group employee shall make her/his own assessment on whether the hospitality or gift is in compliance with the above principles and take the deriving decision. **Beyond such value** per person, approval (i) from Legal & Compliance department is mandatory if the contemplated hospitality or gift is offered to or granted by any Breitling Group headquarter employee, or any Finance or Managing Director from local markets, or (ii) from the relevant Finance Director, if the contemplated hospitality or gift is offered to or granted by any Breitling Group employee being part of the local market which the said Finance Director oversees. In any case, the HQ Legal & Compliance has sole authority to contact directly or indirectly through the recipient the competent department (e.g. compliance department) of a counterparty to obtain the approval of such department for receiving or granting a hospitality or gift. In particular, HQ Legal & Compliance team assesses whether the giver or recipient of a gift or hospitality has the role of a decision-maker or of a principal of the business.

Should the assessment conclude that a hospitality or gift should not be accepted, the Breitling Group employees should decline the gifts (or return it, if applicable) and explain that such hospitality or gift may not be accepted due to Breitling's Anti-Corruption Policy. In circumstance where it would be discourteous to refuse a gift, the self-assessment and/or approval process should consider the following alternative before refusing (or returning) the gift:

- Accepting the gifts while clearly and explicitly stating that it is accepted for and on behalf of the company, and not for the personal individual's benefit;
- Politely introducing the Breitling's Anti-Corruption Policy and explaining to the other party that such type of gifts could not be accepted in the future; and
- Informing that the gift will be displayed in the office (perishable items will be shared in the office); donated to a local charity; or used the gift as a prize in a raffle or equivalent held by Breitling, such as the annual meeting or other office gathering.

#### 4.5. Political contributions

Breitling Group employees **strictly adhere to applicable local rules, practices and regulations** and never make contributions to influence political or administrative decision-making (or conduct in general). Breitling Group employees avoid even leaving behind a relevant hint or impression.

As a matter of Breitling Group's policy, political contributions are not generally **encouraged** and where at all possible, must be avoided. Any necessary political contributions shall be pre-approved by the Legal & Compliance department.

#### 4.6. Commitment to training

Breitling Group employees are committed to **appropriate training & education** on the above principles of conduct as and when offered (or otherwise instructed) by the Legal & Compliance department.

### 5. Accurate books and records keeping

All Breitling Group employees must accurately record or have recorded any and all payments or any type of compensation made to and/or receive from a third party in the relevant Breitling Group's books, records and accounts (i.e., no off-the-books accounts and/or entries).

### 6. Red flags

Breitling Group employees shall **refrain from** situations which could expose the Breitling Group and/or the individuals involved to a **risk of violation** of any anti-corruption laws and/or any related regulations and policies and such situation must be immediately reported to the Legal & Compliance department.

## 7. Risk assessment and control environment

The Breitling Group performs reasonable **corruption risk assessments and reviews**, when appropriate, its **existing internal controls system** and supplements the same with additional controls, where reasonably required, or modifies existing ones.

Relevant **internal controls** focus on the avoidance of slush funds through fictitious or partly fictitious third-party transactions, and aim to ensure that payments are commensurate with legitimate services or goods received, that verified bank accounts and business partners master data are used, that business partners are appropriately vetted by procurement or other adequate corporate/finance areas, as well as by other appropriate means.

## 8. Reporting, investigation, and discipline

If an employee is unsure whether anything of value can be gifted or accepted based on this policy, the employee shall **seek guidance from her/his superior or from the Legal & Compliance department** by submitting a request through this [form](#) or reaching out to [compliance@breitling.com](mailto:compliance@breitling.com) prior to granting or accepting it.

If the employee is offered an unacceptable gift or other advantage, the employee shall **politely decline** it with an explanation that it cannot be accepted due to Breitling's compliance policy.

Breitling Group's employees shall report suspected violations of this policy to her/his manager, HR representative, and/or the Legal & Compliance department, or anonymously through Breitling [SpeakUp Line](#), if desired. Reported suspicions will be investigated pursuant to Breitling [SpeakUp Policy](#) and the investigation results will be appropriately documented to allow adequate follow-up actions.

The Breitling Group will make sure that violations, if sufficiently confirmed and documented, are subject to a process of internal discipline with equal treatment of all suspects as well as appropriate governance.

## 9. Review and adaptation

The Breitling Group shall review and amend its anti-corruption compliance system as required from time to time, but at least every year.

Breitling Group's management shall receive reports on regular basis on the effectiveness of, lessons learned or incidents encountered in running, the anti-corruption compliance management system. Breitling Group's board of directors, or any of its responsible committees, shall in turn regularly receive relevant reports and information.

The Legal & Compliance department shall develop relevant KPIs to ensure effective reporting and to allow Breitling Group's board of directors and management to comply with their governance responsibilities set out in this policy.

## 10. Employee Acknowledgement

This Policy shall require explicit acknowledgement of receipt and adherence by Breitling employees. By giving the confirmation of having read and acknowledged this Policy in the applicable policy manager tool, the employee enters into the following undertaking:

"I hereby acknowledge that I have received, read, and understood the **Breitling Global Anti-Corruption Policy**. I agree to adhere to the procedures and measures outlined in the Policy.

I understand that it is my responsibility to stay informed about any updates or changes to this Policy and to participate in any required training sessions. If I have any questions or need further clarification, I will seek guidance from my line manager or the appropriate department."