



BREITLING'S COMMITMENT TO RESPECT HUMAN RIGHTS

1. Organisation structure and supply chains

Through its supply chain due diligence activities outlined below, 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, Italy, Thailand, China, Colombia and Peru.

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 in the [Breitling ESG Policy](#). Breitling representatives responsible for supplier contracting are duly expected to make their suppliers aware of this tool 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 are further informed 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 ESG 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 or established in the SCS-007 Jewelry Sustainability Standard – Sustainability Rated 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 of 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.

3. Due diligence process

The Breitling Board of Directors, the Board ESG Committee, the Chief Administrative Officer and the Global Head of Sustainability are responsible for the supervision and management of our overarching environmental, social and governance (ESG) frameworks.

We require all suppliers providing gold containing components to declare the refineries handling the raw material and confirmed that all are included on the London Bullion Market Association (LBMA) Good Delivery List, which seeks to ensure responsible bullion sourcing and/or hold relevant certifications such as the Responsible Jewellery Council Chain of Custody standard. 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. Risk assessment

In order to assess our risk exposure related to 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 to have highest priority from a materiality perspective – have been engaged to complete a baseline EcoVadis sustainability assessment in the reporting cycle. At the close of this reporting cycle, 68.4% have completed their assessment and a further 2% are in the process. 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 gold medal for its overall performance in 2021, which is awarded to the top 5% of companies assessed globally.

5. Measuring effectiveness

Stakeholder engagement will be 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 in order to track progress and identify ongoing means of improvement. In the last fiscal year, we have established a baseline among key direct suppliers in order to establish current performance. Roadmaps are being developed in order to improve processes moving forward and in case of need, remediation measures will be developed including independent audits conducted on a risk basis. Progress will be continually reviewed and reported upon annual to ensure we meet our obligations and expectations.

6. Training for staff

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.



7. Conclusion

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.

I confirm that this statement has been approved by the board of directors of Breitling SA on 24 August 2022.

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

Georges Kern
Chief Executive Officer
24 August 2022