# Our Journey to SUSTAINABLE LUXURY

SUSTAINABILITY REPORT 2025

Chopard

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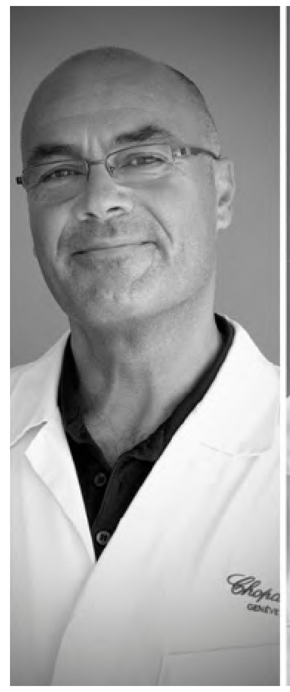
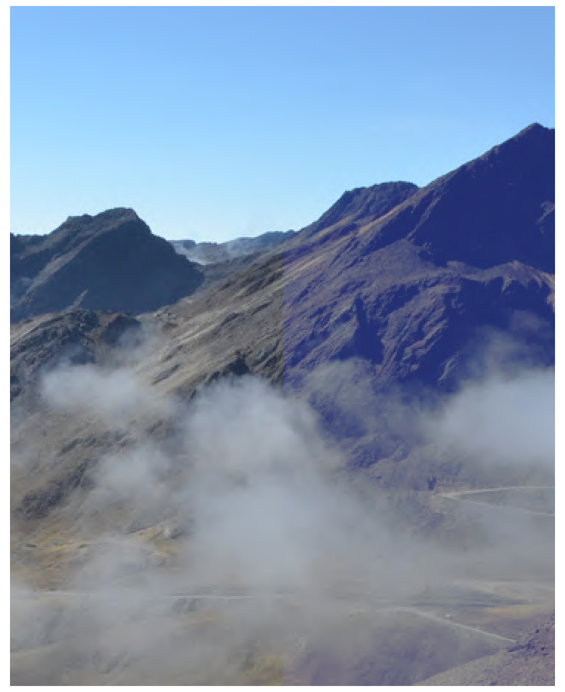




## 3 ACTING *Collectively*





**APPENDIX**

# FOREWORD

Since 1860, Chopard has been guided by family vision. The Maison has grown through a continuum of expertise passed down from one generation to the next. This long lineage has instilled a culture of Independence, Craftsmanship and Responsibility - values that define us as the Artisan of Emotions and shape both our creations and our perspective.

Today, the world around us is changing. Geopolitical shifts, climate change and evolving client expectations are redefining our industry. This environment strengthens our sense of responsibility and reinforces our commitment to sustainable luxury. Although voluntary, this report underscores our dedication to transparency and anticipates forthcoming regulatory frameworks, including the Corporate Sustainability Reporting Directive (CSRD). Above all, it reflects our conviction that contemporary luxury must be ethical, responsible and forward-looking.

The precision that underpins our craftsmanship also guides the way we source our materials, design our creations and support the communities connected to our Maison. Through these actions, we address the impact of our operations and honour the people who contribute to our Journey. This pursuit is collective. We stand with our Artisans, our partners and our peers to build a more responsible future for our industry, while preserving the emotion, creativity and excellence that define fine watchmaking and jewellery.

Guided by these principles, we will continue to source, create and innovate more responsibly through our sustainability strategy: rethinking our products, engaging our communities and acting collectively.

Our Journey to
SUSTAINABLE
LUXURY

Caroline & Karl-Friedrich Scheufele Chopard Co-Presidents

Chopard

# Our Journey to SUSTAINABLE LUXURY

Over the years, we have sought to contribute to a more responsible watch and jewellery sector by considering sustainability throughout the journey of our creations — from the origin of precious materials to the way our watches and jewellery are crafted. Guided by the same care, patience and precision that define our artisanal savoir-faire, we approach sustainability as a long process of continuous improvement.

This commitment has led us to take pioneering steps within our industry, including our transition to 100% ethical gold in 2018 and the development of Lucent Steel™, our proprietary alloy incorporating a high proportion of recycled material. It is also reflected in our active engagement with key industry initiatives such as the Responsible Jewellery Council (RJC), which granted us recertification against the Code of Practices in 2025, covering all our entities worldwide.

Guided by an artisan's mindset and a long-term vision, we will continue to work alongside our partners and peers to help shape a luxury industry where excellence, responsibility and creativity progress together.

# BASIS FOR PREPARATION

## BASIS FOR PREPARATION

Our sustainability statement covers our activities related to watches, jewellery and accessories. While not subject to CSRD requirements, we align with the framework to ensure greater transparency and comparability. It addresses the sustainability topics identified as material through our **double materiality analysis** (p. 15). Key indicators, including our KPIs and table of Impacts, Risks and Opportunities (IROs), linked to the relevant ESRS, are presented in the appendix (p. 43).

## SCOPE AND CONSOLIDATION

The scope is **aligned with our financial reporting** and covers our headquarters in Geneva, our production sites in Fleurier (CH) and Pforzheim (D), as well as our 14 global subsidiaries. We also operate a network of over 159 boutiques worldwide. Throughout this report, the year 2025 refers to Chopard's fiscal year, which runs from January 1 to December 31, 2025.

## VALUE CHAIN COVERAGE

The **policies, objectives and actions** described in this document apply to Chopard and, where relevant, to our value chain. The information relating to **upstream and downstream activities** in our value chain is included where necessary to provide a clear understanding of our material impacts, risks and opportunities.

Where primary data from our value chain partners is not available – such as carbon footprint assessments or life cycle assessments – we rely on reasonable estimates, industry averages or proxy data, in line with ESRS provisions.

## TIME HORIZONS

To better **align our sustainability reporting with our internal strategic planning cycles,** risk management processes and business decision-making timeframes, the time horizons differ from those defined in ESRS 1:

- **Short-term:** up to 3 years
- **Medium-term:** from 3 to 5 years
- **Long-term:** more than 5 years

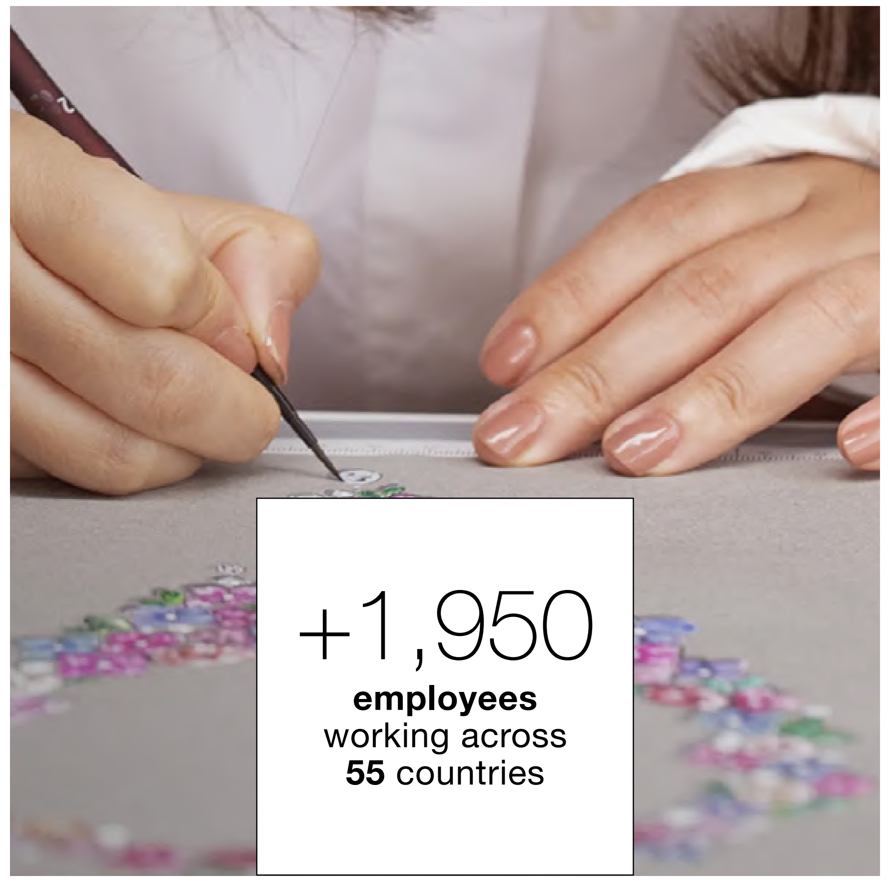
# ABOUT US

We are a Swiss manufacturer of luxury watches, jewellery and accessories. Founded in 1860, we are a family-run Maison headquartered in Geneva, with production sites in Fleurier and the German city of Pforzheim, as well as 14 global subsidiaries. We also operate a network of more than 159 boutiques worldwide.

The Scheufele family embodies history, tradition, and stability – qualities that have helped us maintain a strong commitment to craftsmanship and savoir-faire, celebrating more than 50 time-honoured crafts and professions within our workshops.

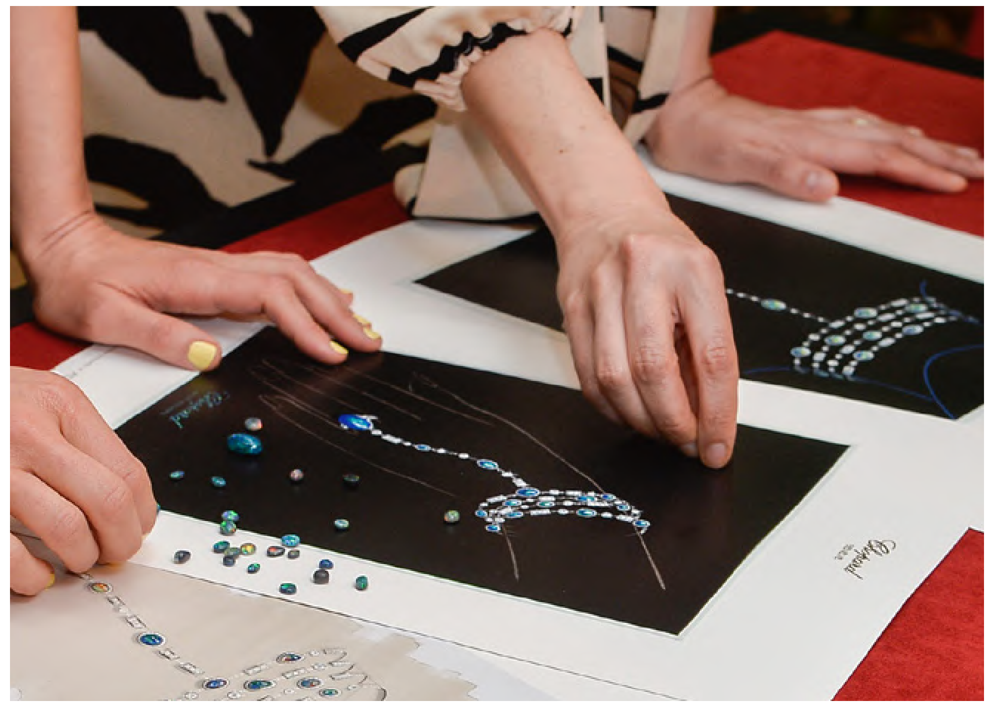
Our vertically integrated business model enables us to retain direct oversight of key stages of the production process. This approach is central to our sustainability strategy, providing greater visibility over how our creations are made and how the resources we use are managed.

Every Chopard creation is handcrafted within our own workshops. Our in-house foundry — where we reprocess metal scraps and produce our own alloys — further reinforces our independence and our commitment to responsible production.



+1,950
**employees** working across **55** countries

+50
**crafts and professions** within the Maison




3
**production sites**

100%
**of Chopard creations** handcrafted in-house

10
**iconic creations**
Happy Sport
Happy Diamonds
Happy Hearts
Ice Cube
Precious Lace
L'Heure du Diamant
Imperiale
Alpine Eagle
Mille Miglia
L.U.C


# OUR GOVERNANCE

As a family-owned Maison, we benefit from a model of independence that supports long-term thinking and enables agile decision-making aligned with our values. This governance structure allows sustainability considerations to be integrated directly into strategic discussions, ensuring that environmental, social and ethical responsibilities are addressed alongside business priorities.

Sustainability is overseen at the highest level, with the Co-Presidents and the Board closely involved in guiding our long-term direction. Their engagement ensures that sustainability remains a central component of our vision and strategic development.

To translate this vision into concrete action, our Sustainability Steering Committee brings together leaders from across the Maison to review progress, identify emerging challenges and guide strategic priorities. This cross-functional dialogue reflects our conviction that sustainability cannot be addressed in isolation but must be carried forward collectively across departments and activities.

Across the organisation, dedicated working groups and expert committees support the implementation of our commitments — from responsible sourcing of precious materials to the management of our environmental footprint. By bringing together operational expertise and sustainability perspectives, these forums enable informed decision-making and continuous improvement across our value chain.

In line with the Corporate Sustainability Reporting Directive (CSRD), we have also strengthened the identification and monitoring of our Impacts, Risks and Opportunities (IROs). This structured approach enhances transparency and accountability while helping us anticipate challenges and guide our actions over the long term.

### CO-PRESIDENTS

### BOARD OF DIRECTORS

Set strategic direction and ensure adherence to sustainability commitments, including the management of IROs.

WEEKLY MEETINGS

### EXECUTIVE COMMITTEE (CFO AND HEAD OF SUSTAINABILITY)

- Manage day-to-day operations, ensures alignment with strategic objectives and sustainability goals.
- IROs regular assessments to develop mitigation strategies for identified risks, and explore innovative solutions to capitalize on sustainability opportunities.

2 X / YEAR

### SUSTAINABILITY STEERING COMMITTEE

DIRECTORS FROM 11 DEPARTMENTS (PRODUCTION, MARKETING, RETAIL, FINANCE, HR, ETC.)

- Refine the sustainability goals and objectives in alignment with the company's mission and values.
- Monitor the progress of sustainability initiatives and ensure they are implemented effectively across all departments.

### EXTERNAL SUPERVISORY BODY (FINANCIAL & ESG)

Identify and evaluate potential risks, provide recommendations to mitigate these risks, improve overall financial management and compliance with the local, national and international regulations.

### SUSTAINABILITY WORLD TEAM (SUBSIDIARIES)

### SUSTAINABILITY OPERATIONAL MONTHLY COMMITTEES

Co-create sustainability initiatives, manages ESG risks and opportunities by implementing the plan of actions.

#### PRECIOUS STONES

- Purchasing department (Switzerland and Germany)
- Innovation and Engineering
- Product reliability department
- Sustainability department

#### METALS

- Purchasing department
- Precious metal department
- Production department
- Sustainability department

#### ENVIRONMENT & CLIMATE

- Facility department
- Sustainability department
- External experts
- Energy Transition Engineers

#### ETHICAL COMPLIANCE

- Legal department
- Sustainability department

#### SUSTAINABILITY

- CEO (KS GmbH, Germany)
- Purchasing department
- Production & Quality department
- Human Resources department
- Finance department

# OUR SUSTAINABILITY STRATEGY

Our sustainability strategy supports our ambitions and guides the way we contribute to a more responsible luxury sector. At Chopard, sustainability engages the entire Maison, bringing together artisans, managers, technical experts and partners around a shared commitment to continuous improvement.

We approach the environmental, social and societal challenges facing the watch and jewellery industry with a spirit of commitment, humility and ambition. Step by step, and in close collaboration with our partners, we continue to refine our practices and develop innovative solutions that shape the way our creations are imagined, sourced and crafted.

Rooted in the realities of our expertise, this framework allows us to focus our efforts where our influence and responsibilities are greatest, ensuring that our commitments translate into measurable progress over time.

Our roadmap is organised around the following core pillars of commitments:

## RETHINKING *Our Products*

### Ecodesign and product life

We are committed to integrating environmental criteria into the development of our creations, boxes, accessories and our boutiques, while engaging our customers and raising their awareness on sustainability issues.

### Responsible sourcing

We are committed to selecting materials and suppliers rigorously, managing risks throughout our value chain and having a positive impact on mining communities.

### Carbon footprint

We are committed to our 2030 Carbon Plan, and to seeking to optimise resources and circularity in our processes.


## ENGAGING *Our Communities*

### Human Rights and Communities

We are committed to respecting and promoting human rights throughout our activities and value chain, while contributing positively to the communities connected to our business.

### Training and skills development

We are committed to providing full training for apprentices as well as ongoing training through our dedicated platform. Every Chopard colleague receives performance management and skills development support.

### Health and Safety in our Value Chain

We are committed to safeguarding the health, safety and well-being of all individuals involved in our activities, both within our operations and across our value chain.

## ACTING *Collectively*

### Partnerships

We are committed to acting collectively with our partners and our industry to develop impactful, sustainable sector-wide solutions.

### Precious Territories

We are committed to protecting and restoring ecosystems, both upstream of our value chain in mining sitesand downstream in the region of the Alps.

# OUR TARGETS

## ECODESIGNING OUR PRODUCTS


### 2025 – 2030

Apply **ecodesign** methodology for Watches, Jewellery and Accessories.

**Conduct Life Cycle Assessment (LCA)** on all Watch & Jewellery (W&J) and accessories best-sellers and on boutique New concept.

## ENSURING MORE RESPONSIBLE SOURCING


### 2025 – 2030

**100%** of our significant suppliers are certified or in the process of being certified against internationally recognised ESG standards.

**100%** of our diamond traders source directly from RJC-certified or equivalent cutting centers.

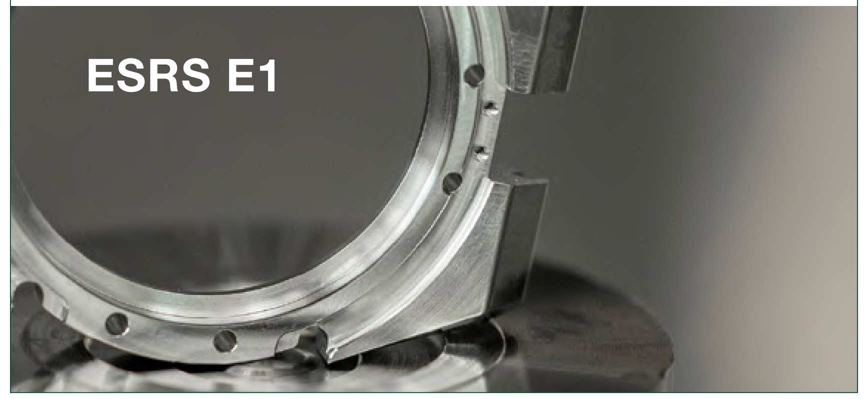
**60%** of our suppliers of diamonds and coloured stones provide evidence of traceability based on a third-party that scientifically proves the mining origin by 2030.

For watch leather straps and accessories:

**100% of declared bovine origins** (farms) are located in Europe.

**100%** of tanneries will be certified against **Leather Working Group (LWG)** or an equivalent standard.

## REDUCING OUR CARBON FOOTPRINT




### 2025 – 2030

**Scope 1 & 2:** reduce absolute GHG emissions to **55%**.

**Scope 2:** increase active annual sourcing of renewable electricity from **85%** in 2023 to **100%**.

**Scope 3:** reduce absolute GHG emissions from employee commuting by **25%**.

**Scope 3: 80%** of our suppliers by emissions, covering purchased goods and services, will have science-based targets.

## WORKING WITH THE INDUSTRY


### 2025 – 2030

Maintain a minimum threshold of **70%** of our global gold supply from accredited artisanal mines through our partnership with the **Swiss Better Gold**.

In alignment with the **Climate Group's SteelZero**, procure at least **50%** of our steel from steelmakers with «lower emission steel» or who have set a science-based emissions target.

## PRECIOUS TERRITORIES


### 2025 – 2030

**Protect and restore** ecosystems and biodiversity linked to our upstream supply chain risks.

Contribute to the protection of **Alpine ecosystems,** through the Alpine Eagle Foundation.

# BUSINESS MODEL AND VALUE CHAIN

Our business model reflects the way value is created within the Maison — through the combination of artisanal craftsmanship, long-standing expertise and carefully managed supply chains. From the sourcing of precious materials to the crafting of our watches and jewellery, each stage contributes to the quality, durability and integrity of our creations.

Understanding how our activities interact with environmental and social challenges is an essential part of our sustainability approach. Across our value chain, we assess the impacts, risks and opportunities connected to our operations, while taking into account the expectations of our stakeholders.

## OUR RESOURCES

### Human resources

**1,937** total employees
**48%** women among all employees and
**38%** among managers

**58** nationalities

Working in our departments:
Watch / Jewellery / Accessories
R&D / Distribution & Retail
Customer service
Support functions

### Financial Independence

Stable and independent family shareholding:

**100%** family-owned business

### Industry and know-how

**2** production sites in Switzerland and
**1** in Germany

**+10%** of total employee workforce dedicated to customer service

More than **50** trades and professions within the Manufacture

**± 47** apprentices trained each year in our 3 training departments

### Natural

Greenhouse Gas Protocol used to measure our carbon footprint

**72%** of significant suppliers certified/audited against recognized standards (SMETA, RJC, LWG, etc.)

**100%** of our metal scraps are recycled

**80%** of our manufacturing gold scraps are reprocessed in our internal foundry

**100%** of precious metals RJC certified or Swiss Better Gold accredited.

Lucent Steel™ made with a recycling rate of at least **80%**

### Vertical Integration

Location of production plants (local craftsmanship)

**650** points of sale
**14** subsidiaries worldwide
**159** boutiques

## OUR ACTIVITIES

### R&D / Ecodesign

We have made ecodesign part of a holistic vision of our products' lifecycle, avoiding short-term wins for solutions that are sustainable over the long-term.

### Sourcing

We see responsible sourcing as a powerful tool to tackle global issues such as climate change, biodiversity loss and poverty. By working with our suppliers to assess their sustainability performance, we can also help to drive continuous improvements.

### Transformation / Production / Manufacturing

Our production and manufacturing processes have developed over time in order to minimise the impact they have on the environment. This includes our commitment to using ethical gold, and our own Lucent Steel™, made with a recycling rate of at least 80%.

Jewellery

Watches

Accessories

### Distribution / Sales

We have a network of over 650 independent points of sale, as well as 159 boutiques, ensuring that our watches and jewellery are available to buy in person, all over the world.

### After-sales service

We carry out over 70,000 repairs every year in our network of 45 global service centres. It is part of our vision that our watches and jewellery are passed on from generation to generation.

## OUR VALUE CREATION

### For employees

**47** apprentices

**10** mandatory and 2 voluntary training courses on climate and biodiversity topics assigned globally to Chopard's population in the framework of the campaign "Together for Sustainable Luxury"

More than **350** e-learning modules delivered to the employees

### For customers

Our integrated manufacturing capacities allow us to repair even our vintage watches and jewellery creations

Average processing time within our service center is shortened as much as possible to **10** to **20** calendar days

**+70,000** products service and care

**5**-years product warranty

### For suppliers and partners

Quarterly workshops on our responsible sourcing programme with the purchasing team

Member of the ethical trade network Sedex

Responsible Purchasing Charter renewed in 2024

**978** active suppliers of which **100%** have signed our Responsible Purchasing Charter

### For the environment

**SBTI:** carbon reduction targets verified and validated carbon reduction plan aligned with the 1.5° trajectory and validated by SBTi

**85%** of the energy we use is renewable

**-47%** $CO_2$eq since 2013 related to energy consumption in our Swiss production sites

**1** foundation promoting protection of ecosystems and biodiversity in the Alps

**1st** luxury Maison to join Climate Group's SteelZero for carbon-neutral steel by 2050

### For society/communities

**4,985** direct beneficiaries in the mining communities from the premium paid on artisanal gold

Partner with All Hands and Hearts helping to rebuild safe, resilient schools in areas impacted by natural disasters

Partner with José Carreras Leukemia Foundation to support research in the treatment of this disease

# OUR SUSTAINABILITY APPROACH

**Contributing to a more responsible watch and jewellery sector**

As global environmental pressures intensify and social expectations continue to evolve, the availability of natural resources is increasingly constrained. These dynamics heighten risks for ecosystems, communities and value chains alike, reinforcing the need for the luxury watch and jewellery sector to operate with greater care, foresight and accountability.

This sustainability report sets out how we manage our impacts on the environment and on the communities connected to our activities. It provides an updated view of our priorities, actions and progress, while supporting our ongoing alignment with a rapidly evolving regulatory and reporting landscape—most notably the Corporate Sustainability Reporting Directive (CSRD) and associated European Sustainability Reporting Standards.

While this publication formally documents our sustainability performance, the principles it describes are firmly rooted in long-standing convictions and practices. Our approach is shaped by a belief that responsibility, quality and enduring value are inseparable, and that sustainability must be driven by ambition rather than compliance alone.

Beyond our own operations, this report highlights the importance we place on collaboration and engagement across our value chain. From strengthening transparency with suppliers, to working alongside industry peers and partners, we remain committed to contributing to a sector where ethical conduct, environmental stewardship and social responsibility are considered fundamental to excellence in watchmaking and jewellery creation.

**Pauline**

Head of Corporate Sustainability

*Our sustainability report reflects how responsibility is embedded across our business—from the way we source materials to how we create value for people and the planet.*

## OUR RJC RECERTIFICATION

Our long-standing engagement with the RJC, a global organisation that defines common standards for responsible practices across the entire watch and jewellery value chain, is one of the ways we bring structure and coherence to our sustainability approach.

Certified since 2012, we renewed our certification in 2025 under the COP 2019 standard, extending it for the first time to all our entities worldwide — from our three production sites to our subsidiaries and boutiques. This milestone reflects the alignment of our practices across the Maison and their assessment against a shared set of international standards, validated by an external party.

The RJC framework allows us to evaluate our activities across key areas such as human rights, working conditions, environmental management and business ethics, and to identify where we must continue to improve. It creates a shared reference within Chopard, and with our partners and clients, supporting greater transparency in how our creations are made and the conditions in which they are produced.

RESPONSIBLE JEWELRY COUNCIL
CERTIFIED MEMBER
0000 6312

## 3 questions to...

**Alexandre**

Finance & Administration Director, Chopard France

**When Chopard France began preparing for the RJC Code of Practices certification, what made this process meaningful?**

From the outset, this process is an opportunity to take a step back and ensure that the way we work is fully aligned with the Maison's values. At Chopard, ethics and responsibility are not simply statements — they translate into concrete actions. The RJC Code of Practices helps structure and clarify our approach while strengthening our credibility with our teams, partners, and clients.

**Did the certification process influence the way teams work together?**

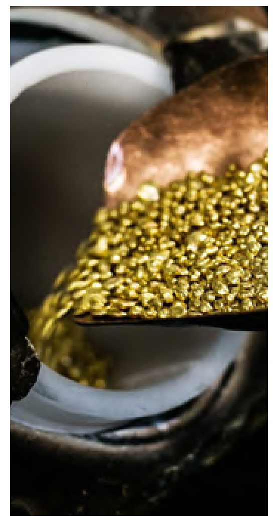
Yes, very clearly. Projects like this naturally encourage more transversal collaboration. Teams become more aware of how their work connects with the activities of others, and how their decisions contribute to the broader commitments of the Maison. Throughout the process, we observed greater anticipation, more attention to documentation and stronger reflexes aligned with the RJC framework. Above all, it fostered a shared sense of responsibility across the organisation.

**What does this certification represent for Chopard France today?**

The RJC Code of Practices acts as a guiding framework. It reminds us why we do things in a certain way and ensures that our practices remain consistent with the values upheld by the Scheufele family — integrity, respect and responsibility. For us in France, the certification also reinforces our connection with the wider Maison. It aligns us with teams around the world and helps maintain the high level of rigour that defines Chopard's approach to responsible business practices. In many ways, it goes far beyond a certification: it reflects a way of working — and even a way of being.

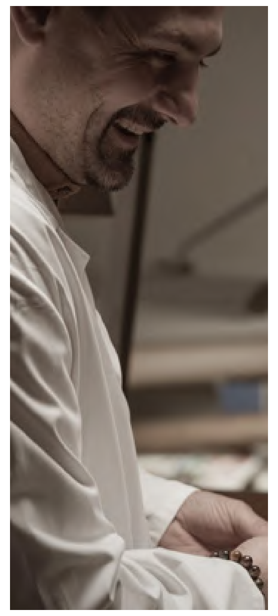
# KEY SUSTAINABLE MILESTONES

For nearly 50 years, we have sought to advance more responsible practices across the watch and jewellery sector — from pioneering early concepts of circularity to using precious metals and gemstones that we endeavour to source through more ethical and transparent supply chains. Each milestone reflects our efforts to raise standards and adapt to evolving expectations across the industry. In 2025, we further reinforced this trajectory by consolidating key commitments and advancing collaborations that support greater transparency and accountability throughout our activities. These actions have long underpinned our sustainability strategy. Today, we continue to challenge the boundaries of what is possible, driving progress at the intersection of sustainability and luxury.



## 1978

Opened our own in-house foundry workshop, allowing us to reprocess and reuse gold scraps, to make our own gold alloys.



## 1980

Opened the first of three Chopard training departments dedicated to teaching watch and jewellery making skills.

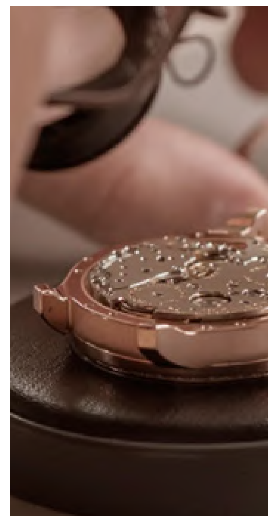
WWF

RESPONSIBLE JEWELLERY COUNCIL

## 2010

Signed a three-year partnership with the WWF to support the 'Tigers Alive Initiative', a conservation project to protect tigers from extinction.

Joined the RJC, a non-profit organisation promoting responsible business conduct from 'mine to retail'.



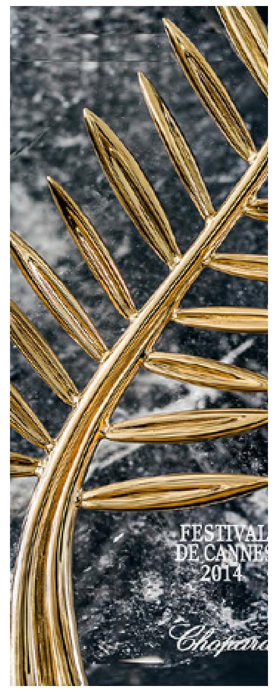
## 2012

Awarded our first RJC certification and launched our Sustainable Development roadmap.

ALLIANCE FOR RESPONSIBLE MINING

## 2013

Unveiled our multi-year commitment Journey to Sustainable Luxury.
Joined the Alliance for Responsible Mining (ARM).
Launched our Green Carpet Collection, made from Fairmined-certified gold, and diamonds sourced from RJC-certified suppliers.



## 2014

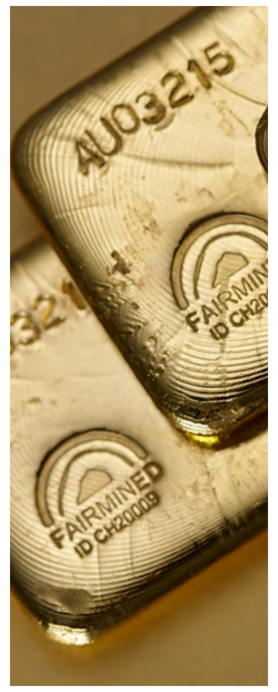
Crafted the Cannes Film Festival Palme d'Or award using Fairmined certified gold.

SBG SWISSBETTERGOLD

## 2017

Joined the Swiss Better Gold Association.

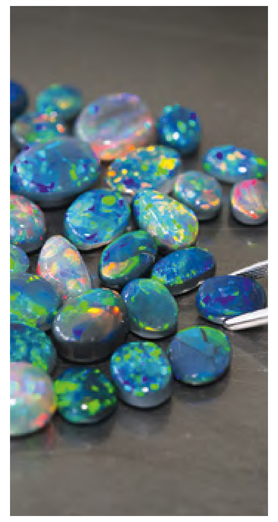
FAIRMINED



## 2018

Used 100% Ethical gold. 100% of the gold we use is certified Fairmined or RJC Chain of Custody (CoC), accredited by Swiss Better Gold.

THE COLOURED GEMSTONES WORKING GROUP



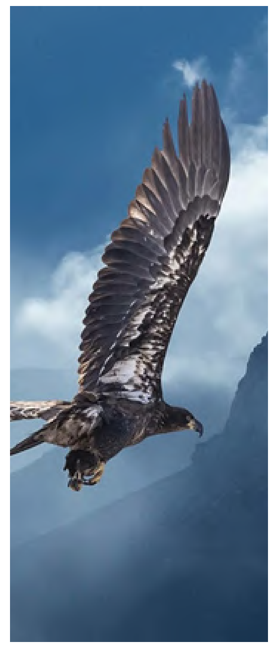
## 2019

Joined the Coloured Gemstones Working Group (CGWG).

## 2020

Partnered with the Swiss Better Gold to source gold from Colombian artisanal gold panners the Barequeros, one of the most environmentally-conscious gold mining operations in the world.

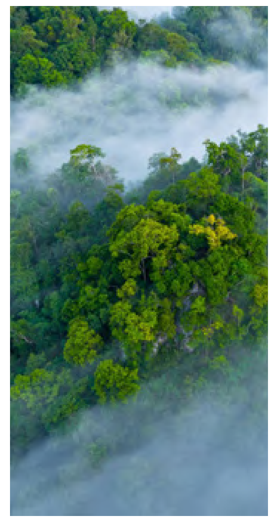
ALPINE EAGLE FOUNDATION



## 2021

Launched the Alpine Eagle Foundation.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

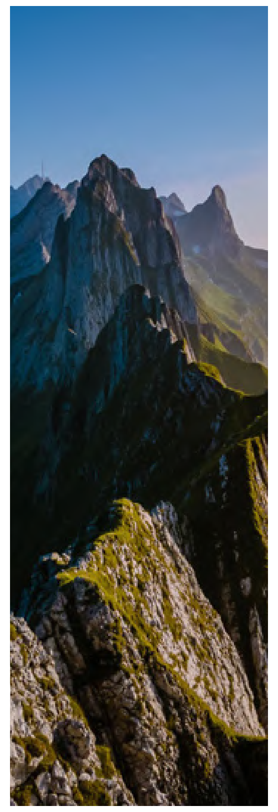


## 2022

Committed to the Science Based Targets initiative (SBTi), as a step towards becoming carbon neutral by 2050.

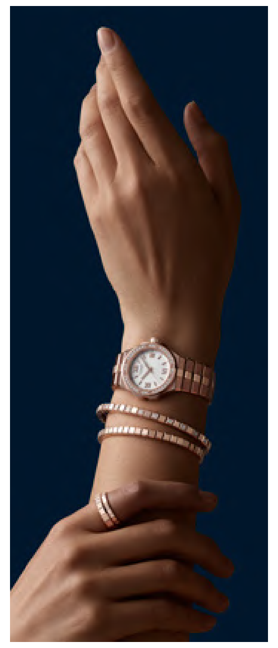
## 2023

Launched Lucent SteelTM watches, with a recycling rate of at least 80% and local circular loop manufacturing.
Became the first luxury Maison to join the Climate Group - SteelZero and commit to use only carbon-neutral steel by 2050.



## 2024

Launched the Precious Territories environmental commitment programme.
Co-founded the consortium WE Watchmaking Ecodesign, an initiative dedicated to advancing environmental knowledge tailored to the Swiss watchmaking industry.



## 2025

RJC re-certified covering 100% of the Group's entities.

Became member of Sedex, the ethical trade platform.

# INTERESTS AND VIEWS OF OUR STAKEHOLDERS

Engaging with those connected to our activities has long been an essential part of our approach. Dialogue with stakeholders across our value chain helps us better understand expectations and continuously refine our practices. As we progress in the implementation of the Corporate Sustainability Reporting Directive (CSRD), we have further structured and broadened this dialogue to reflect the evolving sustainability landscape and the diversity of perspectives connected to our activities.

The mapping below illustrates the range of stakeholders with whom we interact and the ways in which these exchanges take place. These ongoing conversations help us anticipate emerging topics, deepen our understanding of the impacts linked to our activities and guide the evolution of our sustainability priorities.


## INTERNAL STAKEHOLDERS

HOW WE ENGAGE | WHY WE ENGAGE

### EMPLOYEES (HQ, Production and Subsidiaries)

- Dialogue with HR department
- Performance evaluation & manager dialogue
- External grievance mechanism
- Intranet & Website
- Working Groups
- Events
- Survey
- Newsletters
- Trainings (on-site, e-learnings) & corporate presentations
- Sustainability Press Review
- Sustainability Report

We engage with our employees to foster an inclusive and safe working environment, support professional development, and strengthen alignment between our sustainability commitments and everyday practices. Continuous dialogue also enables us to improve internal processes, and enhance employee engagement and well-being.

### ALPINE EAGLE FOUNDATION

- Website
- Events
- Annual report

We engage with the Alpine Eagle Foundation to support biodiversity conservation, and raise awareness of ecosystem protection.

## EXTERNAL STAKEHOLDERS

HOW WE ENGAGE | WHY WE ENGAGE

### CLIENTS

- Customer service
- Events & Fairs
- Newsletters
- Booklets & Product catalogue
- Online contact form
- Wholesale trainings, meetings, manufacture tour

We engage with our clients to better understand their expectations regarding product responsibility, traceability and sustainability performance, as well as the overall customer experience associated with our creations.

### SUPPLIERS

- Purchasing team direct relationship
- Visits
- Trainings & Capacity buildings
- Questionnaires
- Compliance package
- Sedex platform, audits
- Working groups

We engage closely with suppliers to promote responsible business conduct, improve supply chain transparency and strengthen compliance with our social, environmental and ethical standards. Collaboration and capacity-building are key to identifying and mitigating risks, while fostering long-term and resilient supply chains.

### SECTOR EXPERTS

- Expert mandates on specific sustainability projects
- Regular meetings, workshops, and visits
- Roundtables
- Events

We engage with sector experts to benefit from specialised knowledge, challenge our approaches and support the continuous improvement of our sustainability strategy. Their insights help us address complex topics, anticipate emerging risks and align our practices with evolving best practices, innovations and scientific developments.

### TRADE ASSOCIATIONS AND NETWORKS

- Regular meetings and visits on sustainability topics
- Working Groups / Committees
- Industry roundtables and conferences
- Board of directors

We engage with trade associations and professional networks to contribute to collective industry progress, share knowledge and support the development of common standards. Collaboration at sector level enables us to amplify impact and promote higher sustainability expectations across the watch and jewellery industry.

### NGOs

- Constructive dialogue & Working groups
- Events, roundtables
- Study participation, interview

We engage with NGOs to gain independent perspectives, strengthen due diligence processes and help us address environmental and human rights risks within our value chain.

### MEDIA

- Articles, interview
- Press Events

We engage with the media to communicate transparently on our sustainability commitments, actions and progress. This contributes to strengthening accountability and supports wider awareness of responsible practices within the luxury sector.

### PUBLIC AUTHORITIES

- Survey from local authorities
- Data collection campaign
- Regular meetings

We engage with public authorities to contribute to data collection and statistics, respond to consultations and stay aligned with evolving regulatory expectations.

### LOCAL COMMUNITIES

- Constructive dialogue, visits
- Online Grievance Mechanism

We engage with local communities to understand their concerns, identify potential impacts and contribute positively to social and economic development. Open dialogue supports trust, and responsible local engagement.

### ACADEMIA

- Apprenticeship programme
- Internship programme
- Partnership – student project
- Research study participate

We engage with academic institutions to support education, research and innovation, while contributing to the preservation and transmission of watchmaking and jewellery craftsmanship.

Chopard

# IDENTIFYING IMPACTS, RISKS AND OPPORTUNITIES

5 steps methodology

## 1 DEFINING THE ISSUES

We have undertaken the task of clearly defining the key issues linked to the topics and sub-topics of AR 16 (ESRS 1), embedding them within the scope of our activities, operations, and boundaries. In doing so, we have taken into account the specificities of our production sites, the international dimension of our business, and the complexity of our supply chain.

## 2 IDENTIFYING AND ENGAGING WITH KEY STAKEHOLDERS

At the heart of our methodology, we have placed a strong emphasis on active dialogue with our stakeholders. We engaged our customers, employees, suppliers, and local communities to capture direct insights into the real and perceived impacts of our activities. To achieve this, we implemented targeted questionnaires and one-to-one interviews, ensuring a nuanced understanding of expectations and concerns (see stakeholders p.13).

## 3 IDENTIFYING IMPACTS, RISKS, AND OPPORTUNITIES (IROs)

Once the key issues had been established, we systematically identified the IROs associated with each topic. This step was carried out through reinforced dialogue with both external stakeholders and internal teams — senior leadership, subject-matter experts, and sustainability specialists. The aim was to guarantee that the most material topics for us were appropriately prioritised and embedded into our strategy (see appendix p.43).

## 4 ASSESSING IROs

We then conducted a comprehensive assessment of our IROs, covering both financial and non-financial dimensions:

- On the financial side, we evaluated the costs and benefits of managing each issue, as well as the risks and opportunities that might arise.
- On the non-financial side, we analysed our influence on essential topics such as responsible water use, biodiversity preservation, and respect for human rights.

Each IRO was weighted and ranked according to its potential positive or negative effects, producing a clear and structured view of our priorities.

## 5 BUILDING THE DOUBLE MATERIALITY MATRIX

Finally, we developed our own double materiality overview, providing a visual representation of the most critical environmental, social, and governance issues for our organisation. This matrix maps topics along two axes:

- Financial materiality, reflecting risks and opportunities for the business.
- Impact materiality, capturing our influence on society and the environment.

This tool now serves as a strategic dashboard, guiding our actions and reinforcing the coherence of our commitment to sustainability.

**28**

**internal stakeholders responded**

Comex • HR • Sustainability • Subsidiaries • Product & innovation

**46**

**external stakeholders responded**

Clients • Supplier • Finance • Sector experts • NGOs • Trade associations

**10**

**individual interviews**

*Business ethics is a critical topic in our industry. Brands have made a huge effort to address this issue, in order to guarantee more transparency and ensure the industry is moving forward.*

**Clio**

Senior Project Manager, Fondation de la Haute Horlogerie

*Transparency is an important issue in the industry. Assessing where raw materials come from can be challenging, as there are lots of intermediaries along the value chain. In addition, some extraction zones can be located in conflict areas so it is key to ensure full traceability along the value chain.*

**Fanny**

CEO, Buy Your Way

*Mines are zones with risks of unsafe working conditions. Various potential threats to mine workers' health and safety need to be mitigated, including occupational accidents, exposure to toxic substances and noise.*

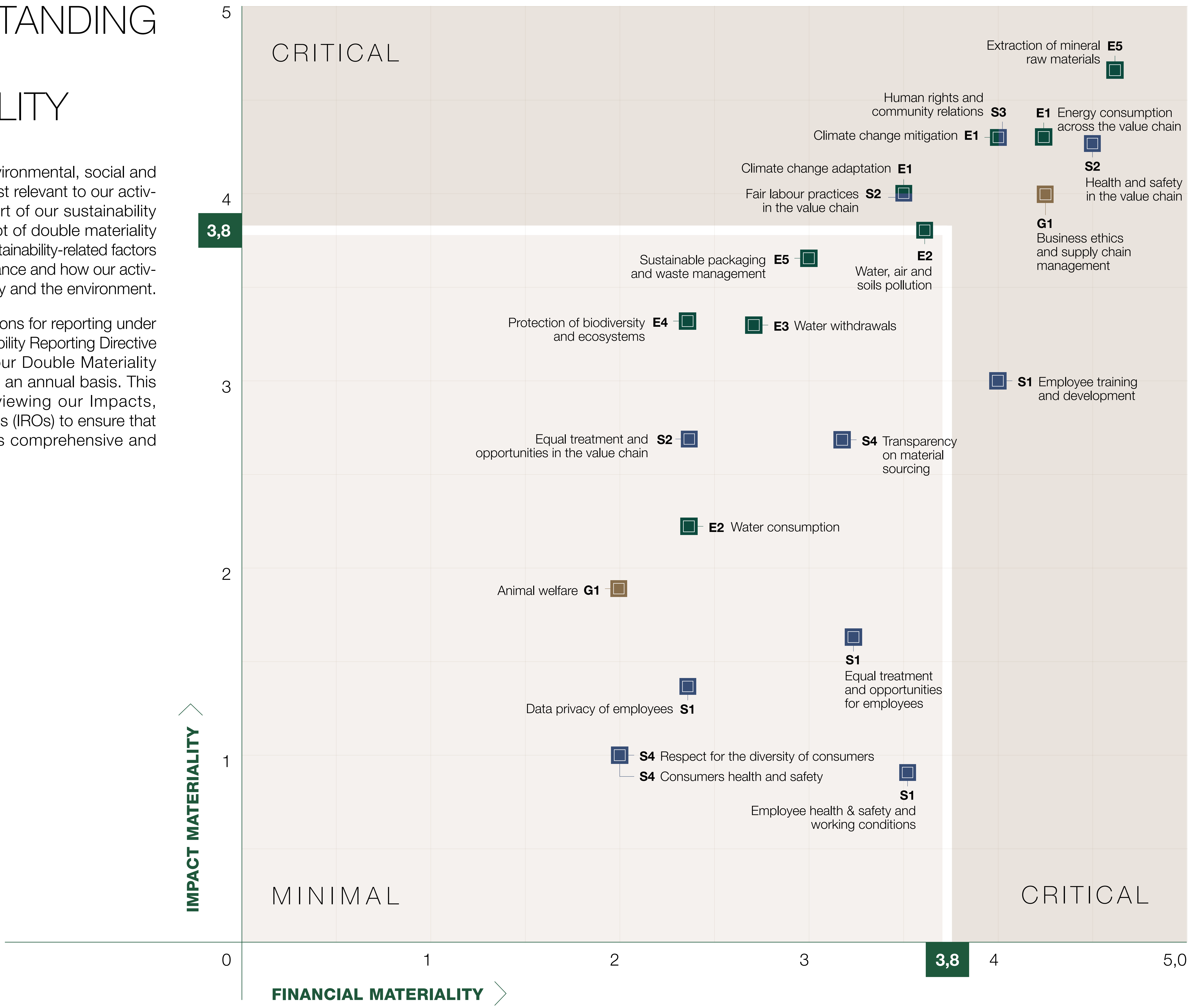
**Olivier**

ESG Supply Chain Senior Director, MKS PAMP

# UNDERSTANDING DOUBLE MATERIALITY

Understanding the environmental, social and governance topics most relevant to our activities is an essential part of our sustainability approach. The concept of double materiality considers both how sustainability-related factors may affect our performance and how our activities may impact society and the environment.

As part of our preparations for reporting under the Corporate Sustainability Reporting Directive (CSRD), we update our Double Materiality Assessment (DMA) on an annual basis. This process includes reviewing our Impacts, Risks and Opportunities (IROs) to ensure that our approach remains comprehensive and forward-looking.




## ISSUES

### ENVIRONMENT

**E1 - CLIMATE CHANGE ADAPTATION AND MITIGATION**
Adaptation of the activities dependent on production particularly exposed to the effects of climate change and contribution to the fight against climate change, by reducing the greenhouse gas emissions generated through the operations and along the supply chain.

**E1 - ENERGY CONSUMPTION ACROSS THE VALUE CHAIN**
Energy use and related environmental impacts from raw material extraction to production, packaging, transport, and distribution, and its efforts to reduce them.

**E2 - WATER, AIR AND SOILS POLLUTION**
Prevention of water and soil pollution throughout the product value chain and mainly polluting discharges from extraction processes. This issue also includes the prevention of atmospheric pollution linked mainly to production and transportation activities.

**E5 - EXTRACTION OF RAW MATERIALS**
Sourcing precious metals and stones in accordance to the highest standards of ethical behaviour, by guaranteeing transparency, accuracy and comprehensibility of marketing statements, advertising and labelling.

### SOCIAL

**S1 - EMPLOYEE TRAINING AND DEVELOPMENT**
Continuously developing workforce to preserve craftsmanship and adapt to evolving challenges, thereby strengthening competitiveness and talent attraction, retention, and motivation.

**S2 - HEALTH AND SAFETY IN THE VALUE CHAIN**
Ensuring that all employees and contractors benefit from a safe and healthy working environment, free from injuries and illnesses through safety management systems, training and audits.

**S2 - FAIR LABOUR PRACTICES IN THE VALUE CHAIN**
Ethical, safe, and fair working conditions across the value chain, protecting both the physical and mental well-being of employees and contractors through strong labour standards and risk prevention measures.

**S3 – HUMAN RIGHTS AND COMMUNITY RELATIONS**
Prohibiting child and forced labor, safeguarding indigenous peoples, and fostering positive, meaningful relationships with local communities impacted by its activities, particularly during raw material extraction.

### GOVERNANCE

**G1 – BUSINESS ETHICS AND SUPPLY CHAIN MANAGEMENT**
Preventing environmental, social, and governance risks, ensuring legal compliance, combating corruption, and promoting transparency and accuracy in all business practices and communications.

# 1

# RETHINKING *Our Products*

The world around us is changing, and so is the way we create. At Chopard, true luxury has always carried meaning — shaped by time and crafted to last. Each creation begins with intention: in the choice of materials, in every gesture, and in the care devoted to longevity. Circularity and traceability are integral to our savoir-faire, guiding the way we design and source with thoughtful precision. Driven by our pioneering spirit and our independence, we continue to refine our practices — lightening our footprint and ensuring that what we create can be passed down across generations remains in balance with the world that sustains it.

Beyond our own operations, we believe that lasting transformation requires collective progress. Through partnerships with organisations such as the Swiss Better Gold Association and other collaborative initiatives across the watch and jewellery sector, we contribute to strengthening standards, advancing traceability and supporting more responsible practices throughout our value chain.

ESRS E1 ESRS E2 ESRS E5 ESRS G1

# ESRS E5

# Ecodesigning our products

## Context

**Our ambition is to place resource efficiency at the heart of creation, weaving circularity into the fabric of our craft. In 2024, we launched pilot projects to ecodesign selected creations, packaging and boutiques, while initiating dedicated training in ecodesign and circular economy principles. In 2025, we are strengthening our methodologies, expanding deployment and integrating eco-design into our creative and development processes.**

| Achievements 2025 | Objectives 2026 – 2030 |
|---|---|
| On-going **ecodesign project** for packaging and retail with the publication of an ecodesign guideline for boutique construction<br><br>LCA: component cleaning processes for jewellery and watchmaking parts. | **Apply ecodesign methodology systematically** for Watches, Jewellery and Accessories.<br><br>**Conduct Life Cycle Assessment (LCA)** on all Watch & Jewellery (W&J) and accessories best-sellers and on boutique New concept. |

## Material IROs

| | Impact | Risk | Opportunity |
|---|---|---|---|
| **E5 – Extraction of mineral raw materials** | – Use of virgin raw materials contributing to changes in soil composition, depletion of non-renewable resources, reduced raw material availability and risks of deforestation associated with mining activities. | – Increasing scarcity of mineral resources (e.g. precious stones) leading to higher raw material costs, supply constraints and greater exposure to market volatility. | – Enhanced traceability and transparency across the supply chain, reinforcing trust and attractiveness for environmentally conscious customers.<br><br>– Business development opportunities driven by innovation, including products integrating circularity principles and alternative sourcing models, enabling access to new customer segments. |
| **E1 - Climate change mitigation** | – Increase in GHG emissions into the atmosphere across the entire value chain. | – Increased costs associated with compliance. | – Innovation towards certain products with less climate impact. |

## Strategies & policies

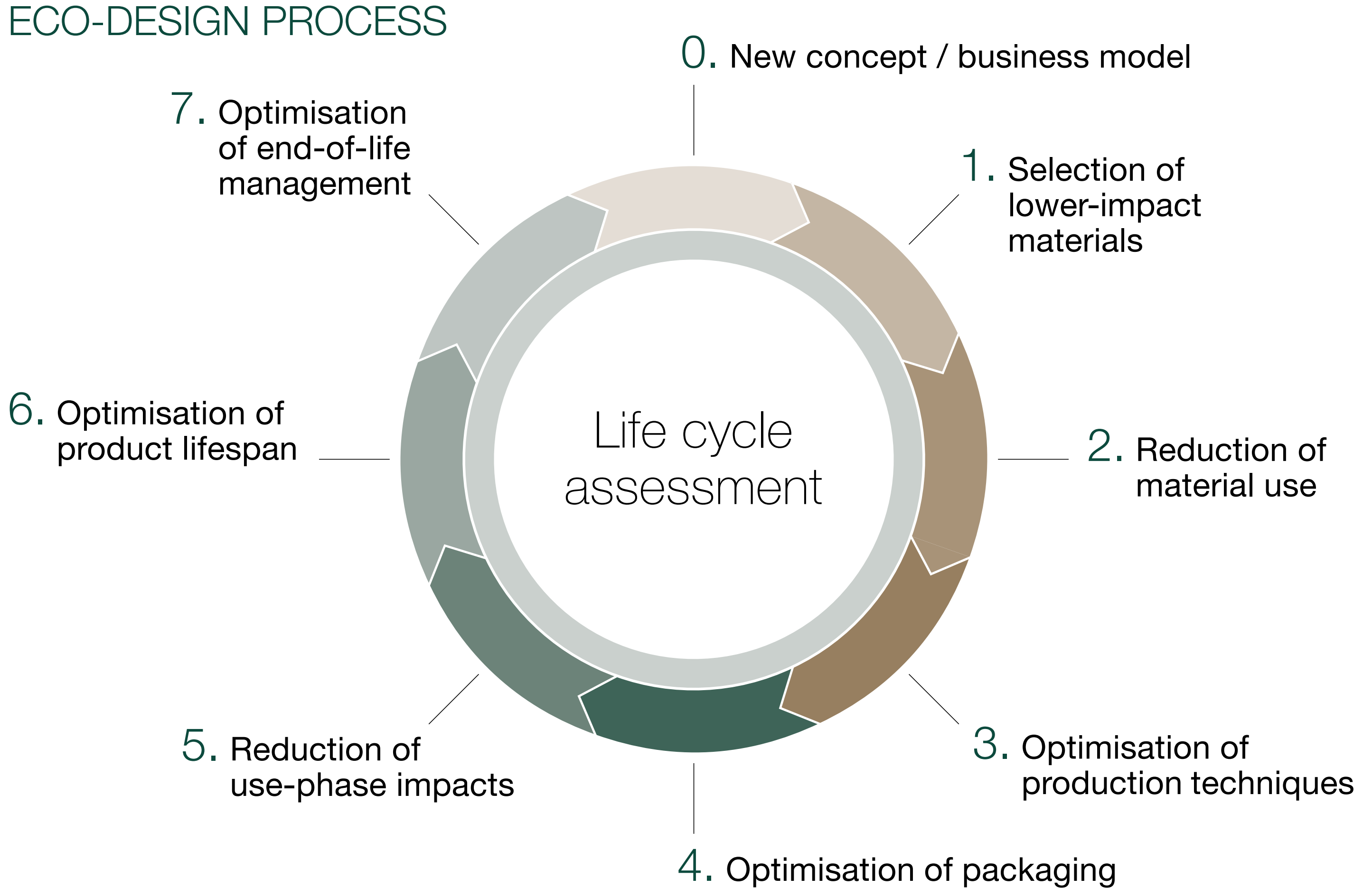
Each department — Watches & Jewellery, Accessories, Packaging and Boutique Construction — integrates ecodesign within its perimeter, reflecting the specific impact profile of its activities. Shared methodologies are provided by the Sustainability Department to ensure coherence across the Maison.

The ecodesign process begins at the earliest stage of creation, when project ambitions and technical specifications are defined. We are working on a methodology to integrate environmental criteria into the initial design brief, guided by a lifecycle framework built around eight key principles.

A Life Cycle Assessment (LCA) may be conducted to establish a reference point or compare design options. By analysing the environmental profile of materials and configurations, we can identify the most significant lifecycle stages and prioritise reduction efforts where they are most effective, ensuring that improvements in one area do not create new impacts elsewhere.

In addition, any new material assessed by the Innovation & Engineering Department undergoes a systematic ESG review — Environment, Human Rights and Governance — prior to internal validation.

### ECO-DESIGN PROCESS




## Actions & commitments

### Expanding Circularity

In 2025, we expanded our ecodesign principles across our key product categories:

— **Retail Corners & Boutique Construction:** building on the pilot projects carried out in 2024, we extended ecodesign principles to our international markets and embedded them into the technical specifications that guide boutique development.

— **Packaging:** we continued refining our ecodesigned corporate packaging, advancing prototypes to meet our standards for environmental performance, durability and technical excellence.

— **Watches & Jewellery:** working with specialised experts, we deepened the Life Cycle Assessment (LCA) of brass and steel components, while structuring a dedicated ecodesign framework to guide future watch development.

— **Accessories:** we initiated preparatory work for a pilot ecodesign project to be launched in 2026.

### Training & Capacity Building

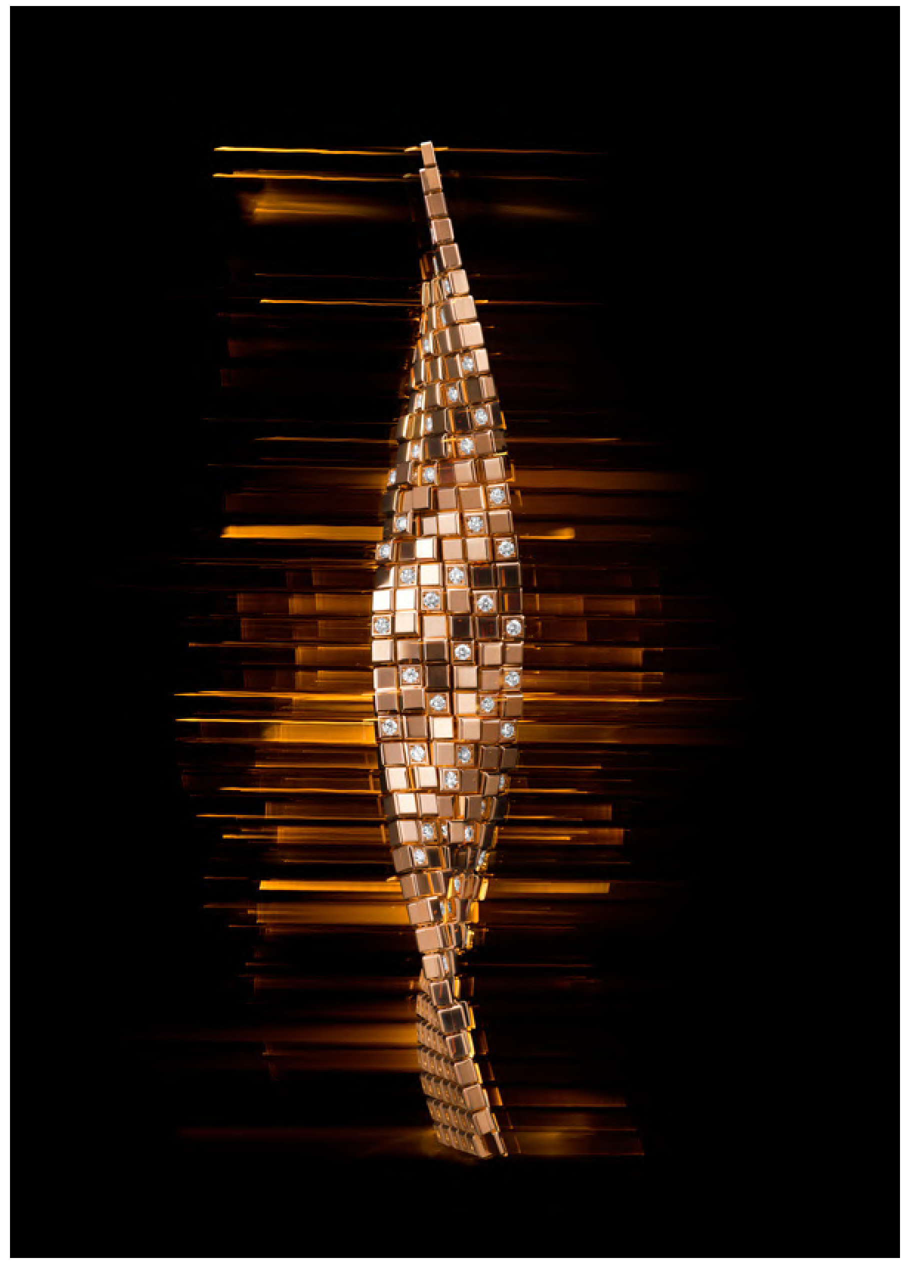
We reinforced internal capabilities by training the Purchasing and Accessories teams through two dedicated workshops facilitated by climate change experts.

These sessions translated ecodesign principles into operational procurement criteria. Working by purchasing category — jewellery, watches, packaging and accessories — teams identified high-impact materials and components, defined relevant environmental indicators, and explored concrete reduction levers, including material optimisation and circularity pathways.

The workshops also advanced the structuring of shared KPIs and the integration of environmental data into our internal systems, strengthening our ability to align sourcing decisions with ecodesign objectives.

### Partnering for ecodesign

In 2024, Chopard co-founded the consortium WE Watchmaking Ecodesign, an initiative dedicated to advancing environmental knowledge tailored to the Swiss watchmaking industry. The consortium aims to ensure consistent and measurable progress by co-developing standardised methodologies that harmonise life cycle assessment practices, improve resource efficiency, optimise material use, and embed sustainable principles throughout the value chain.





# ESRS E2

# Reducing the impacts of our manufacturing processes

## Context

We manage our resources with care, guided by the principles of the circular economy. By keeping materials in use for as long as possible and limiting waste at source, responsibility becomes part of our manufacturing practices, ensuring that craftsmanship and environmental discipline progress together.

## Strategies & policies

Each production site oversees its environmental topics through its own governance structure, reflecting its specific operational context. Dedicated committees monitor environmental performance and support continuous improvement. We have an Environmental Committee for our Swiss production facilities, and a Sustainability Committee for our German manufacture.

### Chemicals

Production processes across our value chain use chemicals that require specific supervision process. A Chemical Committee — bringing together Health & Safety, Sustainability, Purchasing and Production departments — supervises the selection, use and disposal of chemical substances. All new chemicals are screened against environmental and safety (EHS) criteria, with a structured approach to reduction and substitution wherever less hazardous alternatives are available (such as the complete phase out of perchloroethylene).

### Waste

We also prioritise resource efficiency through a structured waste management framework: Reduce-Recycle-Reuse. We have established an extensive recycling network enabling the collection and recovery of nearly 30 material streams.

Today, 100% of our metal scraps are recycled, and 80% of our gold manufacturing scraps are reprocessed in our internal foundry, while the remaining 20% are refined by our external partners in Switzerland and Germany.

Material choices in packaging and presentation are equally guided by environmental criteria. Our shopping bags, gift wrap and catalogues incorporate 70% recycled content and 30% controlled wood fibres, while our walnut presentation boxes are produced using water-based varnishes and adhesives, recycled paper and cardboard, and stainless-steel components designed for full recyclability.

### Water

We are actively reducing consumption by implementing closed-loop systems at our sites. In 2019, we installed such a system to cool machinery at our manufacturing facility in Meyrin, resulting in a 53% reduction in water usage. We also apply a risk-based approach to nature-related impacts, including water use across our supply chain.

## Material IROs

| | Impact | Risk | Opportunity |
|---|---|---|---|
| **E2 - Water, air and soil pollution** | – Emissions to air, water and soil generated by industrial activities, energy use, surface treatments, chemical processes and waste handling.<br><br>– Potential negative effects on ecosystems, biodiversity, water quality and local communities, particularly in areas exposed to manufacturing operations or upstream sourcing activities. | – Increasing compliance costs, operational constraints and liability exposure.<br><br>– Reputational and social risks linked to pollution incidents or non-compliance, potentially affecting stakeholder trust, license to operate and relationships with local communities. | – Innovation in the processes and materials, including reduced use of hazardous substances and closed-loop water systems, contributing to long-term resilience and alignment with sustainability expectations. |

## Actions & commitments

### Energy efficiency

We have committed to improving our energy efficiency and reducing our greenhouse gas emissions over a ten-year period through targets agreement signed with the Swiss Energy Agency for the Economy (AEnEC) for our Swiss sites. Geneva Industrial Services certify that the Maison has implemented the environmental performance actions to which it has committed.

### Happy Energy Project

In 2022, in a context of heightened energy uncertainty in Europe, our Industrial Development teams launched the Happy Energy project to gain a precise understanding of electricity use across our industrial equipment and to identify practical levers to reduce consumption while maintaining performance and quality standards.

By directly involving operators in the analysis of consumption patterns, the project also helps strengthen engagement and ownership. Presenting energy use through simple indicators and practical examples makes consumption more tangible, enabling teams to better understand the impact of their daily practices and identify opportunities to use resources more efficiently.


## 3 questions to...

**Richard**

Head of Industrial Development

**What led you to launch the Happy Energy Project?**

We observed that the consumption figures provided by equipment manufacturers did not reflect actual machine use in our workshops. Reliable data was therefore essential. Measuring real electrical power provided a factual basis to understand our electricity consumption and move from assumptions to observation.

**Why was the Kaizen approach particularly suited to this project?**

Energy performance depends as much on behaviour as on technology. Through a Kaizen approach, we work step by step and directly involve users. Presenting data in a clear and accessible way makes energy use tangible, enabling teams to identify small adjustments — such as reducing unnecessary warm-up time or standby use — and implement them progressively.

**In your view, how does Happy Energy contribute to a lasting evolution of industrial practices?**

The project reminds us that energy use is also a matter of common sense. Once teams understand the direct impact of their daily practices, behaviour evolves naturally. Using a raclette grill to illustrate what one kWh represents was a deliberate choice — no one would leave it on when it is not in use. Individually, the improvements may appear modest, yet over time they generate meaningful reductions and foster a culture in which energy use is considered an integral part of operational discipline. In 2025, the savings achieved were equivalent to the consumption of 112,000 raclette grills.

# ESRS E5, G1

# Ensuring more responsible sourcing

## Context

**At Chopard, we define responsible sourcing as procurement that seeks to maximise positive environmental, social and economic impacts across the entire value chain. It helps us navigate the complexity of our supply chains, address operational challenges and build long-term partnerships grounded in transparency and mutual trust.**

| Achievements 2025 | Objectives 2026 – 2030 |
|---|---|
| **72%** of our significant suppliers are certified, or in the process of being certified against internationally recognised ESG standards. | **100%** of our significant suppliers are certified or in the process of being certified against internationally recognised ESG standards. **100%** of the cutting & polishing centers in our supply chain are RJC COP certified. |
| **80%** of recycled content in our Lucent Steel. | Maintain a minimum of **80%** of recycled content. |
| **100%** of our loose diamond suppliers have been audited by a third-party firm for traceability. | **60%** of our loose diamond and colour gemstones suppliers must provide traceability evidence certified by an independent third party or based on a scientific evidence confirming the mining origin. |
| For watch leather straps and accessories: **82%** of declared bovine origins (farms) are located in Europe. **88%** of tanneries are certified against Leather Working Group (LWG) or an equivalent standard. | For watch leather straps and accessories: **100%** of declared bovine origins (farms) are located in Europe. **100%** of tanneries will be certified against Leather Working Group (LWG) or an equivalent standard. |

## Material IROs

| | Impact | Risk | Opportunity |
|---|---|---|---|
| **E5 - Extraction of mineral raw materials** | – Use of virgin raw materials contributing to changes in soil composition, depletion of non-renewable resources, reduced raw material availability and risks of deforestation associated with mining activities. | – Increasing scarcity of mineral resources (e.g. precious stones) leading to higher raw material costs, supply constraints and greater exposure to market volatility. | – Enhanced traceability and transparency across the supply chain, reinforcing trust and attractiveness for environmentally conscious customers.<br>– Business development opportunities driven by innovation, including products integrating circularity principles and alternative sourcing models, enabling access to new customer segments. |
| **G1 - Business ethics and supply chain management** | – Contribution to positive environmental and social outcomes across the value chain through the promotion of responsible business conduct, ethical standards and supplier engagement.<br>– Economic impact linked to the Company's dependence on suppliers, influencing cost structures, operational continuity and value creation. | – Reputational damage in the event of unethical behaviour, lack of transparency or controversies related to business ethics or supply chain practices, leading to a decline in brand value.<br>– Financial and operational risks arising from breaches of ethical principles, including corruption, money laundering or non-compliance with due diligence and transparency requirements, which may result in loss of customer trust, legal sanctions and disruption of business relationships. | – Strengthening long-term, trust-based relationships with suppliers and partners through robust ethical standards, supplier due diligence and continuous engagement.<br>– Enhanced capacity for innovation and resilience across the supply chain, supported by transparent governance practices, collaborative approaches and alignment with international standards of responsible business conduct. |

## Strategies & policies

In a sector shaped by complex global supply chains, transparency and traceability are essential to preserve both quality and trust. Led by the Head of Corporate Sustainability, the Department defines and steers the strategy, oversees implementation, grievance management and annual reporting, and ensures coherence and clear accountability across the organisation.

Our approach is formalised through a Responsible Sourcing Policy (see appendix), supported by a Responsible Sourcing Handbook and detailed in our annual Supply Chain Due Diligence Report. The Head of Corporate Sustainability, in close collaboration with the Purchasing Department, is responsible for implementing the Policy and overseeing due diligence across the supply chain.

The Responsible Sourcing Policy is communicated to all suppliers and incorporated into contractual agreements. Stakeholders may raise questions or concerns through our grievance mechanism (see p.44).

### Responsible Sourcing Handbook

Our Responsible Sourcing Handbook is structured around 3 pillars: Know, Shape and Drive Impact.

**To know our supply chain,** we align our due diligence system with the OECD five-step Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. We evaluate risks related to conflict exposure, human rights and labour practices, as well as environmental impacts. A dedicated Supplier Management Platform (Salesforce) centralises data and monitors compliance, providing the basis for prioritised and effective risk management.

**To shape our supply chain,** we work closely with our partners to strengthen practices over time. All suppliers must adhere to our Responsible Sourcing Policy and Code of Conduct. Key suppliers undergo regular third-party audits or certifications such as RJC or LWG. Dedicated governance bodies — including the Ethical Metal Committee and the Precious Stones Taskforce — meet monthly to oversee metals and gemstones, ensuring cross-functional oversight between Purchasing, Sustainability and operational teams.

**To drive impact,** we seek to go beyond risk mitigation. Through targeted partnerships and initiatives such as Precious Territories, we support projects that contribute to environmental preservation and improved social outcomes in mining regions.

**STEP 1**

**Establish strong company management systems.** This ensures we have an efficient internal organisation, with sufficient resources and up-to-date policies and procedures, to conduct qualitative supply chain due diligence.


**STEP 2**

**Identify and assess risks in the supply chain.** To identify risk assessment on 15 ESG topics (human rights and labor, climate, biodiversity, pollution and governance related criteria).

**STEP 3**

**Design and implement a strategy to respond to identified risks.** If a risk is identified, we implement a Risk Management Plan (see Appendix: Responsible Sourcing Policy point 11).

**STEP 4**

**Carry out an independent third-party audit of** due diligence practices. Our Supply Chain Due Diligence System is externally audited by our RJC auditor.

**STEP 5**

**Report annually on supply chain due diligence** (see Appendix: Supply Chain Due Diligence Report).

## Actions & commitments

### A structured and harmonised approach to responsible sourcing

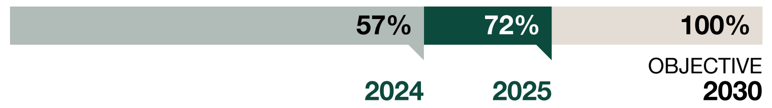
In 2025, we joined Sedex, a global supply chain sustainability platform to address shared environmental, social and governance challenges in our supply chain and reduce the administrative burden placed on suppliers. Recognising the SMETA (Sedex Members Ethical Trade Audit) as a common reference supports greater alignment within our industry and encourages mutual recognition of audit results.

Sedex strengthens our risk-based due diligence system by providing a structured framework to assess labour standards — including child labour, forced labour, discrimination, wages and working hours — as well as health and safety, environmental performance (waste, water, energy, emissions, biodiversity) and business ethics.

Through the platform, suppliers complete a Self-Assessment Questionnaire (SAQ) and share their SMETA audit reports digitally. This enables us to identify risk levels, trigger enhanced due diligence where necessary and monitor corrective action plans. It also allows suppliers to share a single audit report with multiple clients, reducing duplication and improving efficiency across the value chain.

72%

**of our significant suppliers are certified or audited under recognised ESG systems.**




# WHERE WE SOURCE OUR MATERIALS

We are dedicated to establishing transparent, certified, and locally anchored supply chains wherever feasible. Our sourcing strategy prioritises materials with a high recycled content, and we actively engage with artisanal mining communities that contribute to our supply of precious materials.

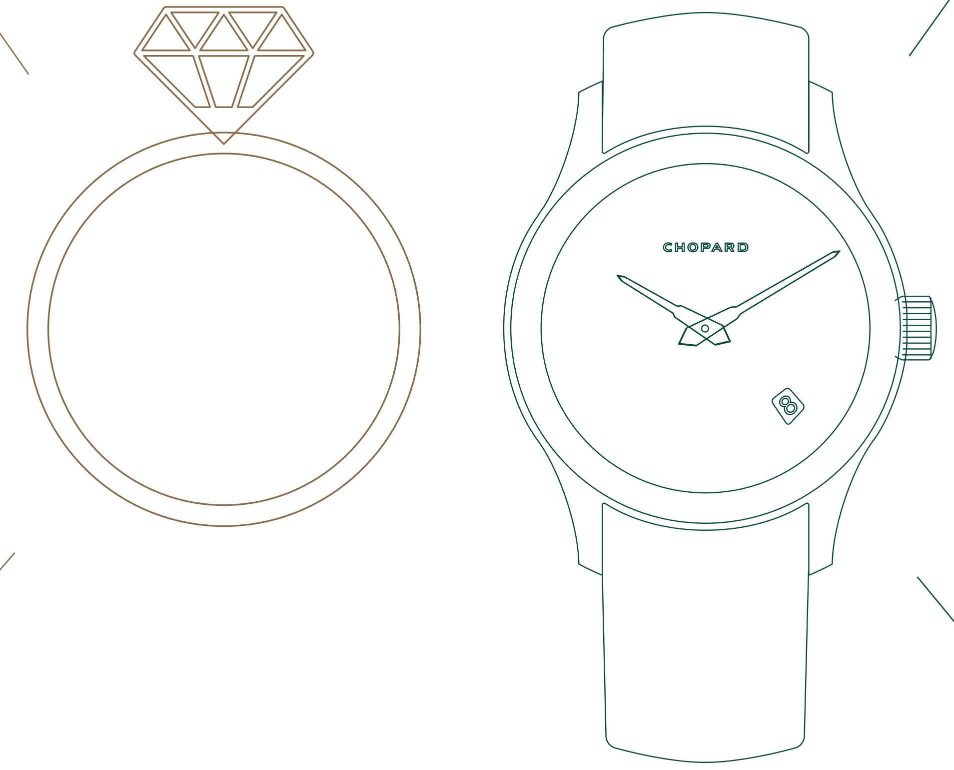
**Coloured Gemstones**
Sourced from RJC-certified suppliers
76%

**Diamonds**
Sourced from RJC certified suppliers
94%

**Fine Palladium & Silver**
Sourced from RJC Chain of Custody (CoC) certified materials
*Source types: pre-consumer and post-consumer palladium and silver, refined in Switzerland, Germany and Italy*
100%

**Copper**
Recycled content min. 99.99 % from post-consumer, certified against ISO 14021, EU origin
99.99%

**Fine gold**
Sourced from artisanal and small-scale mines accredited by the Swiss Better Gold in Colombia and Peru or from CoC gold -16%
84%




**Alligator Leather**
100% Sourced from farms in the USA standard (ICFA) certified for high animal welfare standards
97.5% processed in Leather Working Group (LWG) certified tanneries

**Rubber**
Synthetic material, manufactured in Switzerland and the European Union

**Bovine Leather**
86% Sourced from LWG-certified tanneries
82% of declared bovine origins are from European farms

**Lucent Steel™**
80% Recycled content sourced within 1,000km from the manufacturing sites
*Origin of scraps and steelmaking: Switzerland, France, Italy, Germany, Austria*

**Fine platinum**
100% Sourced either from accredited artisanal miners "barequeros", or from RJC CoC certified sources

**Sapphire Crystal**
100% Swiss made

At present, we are undertaking a comprehensive mapping of our titanium, brass supply chains, with a view to increasing the proportion of recycled content wherever practicable.

Chopard

## Zoom on Ethical Gold & Alloys

### Scaling Ethical Practices Across All Precious Metals

Since July 2018, our workshops have exclusively used 100% ethical gold for all our watches and jewellery, meeting the highest international environmental and social standards.

**In 2025 84% of our ethical gold** was sourced from artisanal and small-scale mines (ASM) accredited by the Swiss Better Gold initiative, a programme supporting lower-impact extraction methods and improving the living and working conditions of over 5,000 miners and gold panners in Peru and Colombia since 2017.

SBG SWISSBETTERGOLD

**100% precious metals used in our alloys** — including platinum, silver and palladium — are sourced through supply chains aligned with recognised international standards, such as RJC Chain of Custody and Swiss Better Gold (for platinum).

CHAIN OF CUSTODY

## 3 questions to...

**Michael**

Head of Precious Materials, Inventory & Subcontracting

**After Chopard's pioneering commitment to ethical gold, how has this approach extended to other metals? What long-term vision guides you?**

Gold was our starting point. It provided the framework, the methodology and the conviction that we could progressively extend our approach to the other metals used in our alloys. At a time when responsible supply chains were still emerging, sustained engagement with refiners helped move the market forward.

**What are the main challenges in advancing responsible sourcing for these metals? How do they differ from gold?**

The challenges are varied and differ significantly from those faced in the context of gold. Volumes are lower, refining streams are more complex, and fully segregated supply chains remain difficult to establish. Unlike gold, these metals do not yet benefit from strong collective demand for certified material, and platinum and palladium are frequently recovered as by-products of other mining operations, which adds another layer of complexity in terms of visibility and control.

**Why is it essential, from an ethical and environmental perspective, to address these metals, even if they are less visible to the final customer?**

Even if they are not visible to the client, these metals have a tangible impact. Ethics should not be guided solely by market perception: it is a mindset — one of upholding values and acting responsibly for the planet and all living beings. Integrating these metals into our due diligence framework ensures consistency and prevents risk displacement within our value chain. The same standards of traceability, transparency and integrity must apply to all the materials we use. This is how we uphold our commitments and contribute to the long-term transformation of our industry.

## Zoom on Lucent Steel™

### Advancing Circularity and Reducing Emissions

As our main raw material (25-30 tons/year), increasing the proportion of recycled steel in our supply made both financial and environmental sense. After over four years of research and development, we introduced Lucent Steel™ in 2019.

Since 2023, all our watches—including bracelets and cases—have been crafted from Lucent Steel™, which contains **a minimum of 80% recycled content**, twice the average recycled content found in conventional stainless steel.

Lucent Steel™ is produced using high-quality scraps from the watchmaking industry, combined with premium-grade steel sourced from the medical, aerospace, and automotive sectors. It offers a range of superior properties:
- Purity and luminescence with fewer impurities than conventional steel
- Antiallergenic with properties comparable to surgical steel
- 50% more resistant to abrasion than standard steel

According to the International Stainless Steel Forum (ISS), switching from conventional steel to recycled steel reduces greenhouse gas (GHG) emissions:
- **80%** recycled **content -30% GHG emissions,**
- **90%** recycled **content -40% GHG emissions.**

We source steel from facilities located within 1,000 km of our Swiss manufacturing site, reducing transport-related emissions and we recycle between 12-15 tons of our own steel scrap annually.

CLIMATE GROUP STEELZERO

### SteelZero 2030

Our reporting submission to SteelZero for the 2025 reporting period indicates that 34% of the steel we use is on track to meet the SteelZero 2030 interim criteria of 50% of the steel being either « lower emission steel » or coming from a steelmaker with a validated science-based target. To the best of our knowledge, we have used SteelZero guidance to engage our suppliers and receive appropriate data acknowledging the current shortcomings on standardized data disclosure in the steel industry.

## Zoom on Diamonds & Gemstones

### Building a robust and compliant supply chain through certification and provenance control

In a context marked by strengthened international sanctions and growing expectations for transparency and traceability across the precious stones supply chain, we have reinforced our requirements for partners and continued to refine our responsible sourcing strategy. It is now structured around two key pillars: the continuous improvement of practices within cutting facilities and the verification of provenance in strict alignment with our internal standards, applicable sanctions regulations, and OECD Due Diligence Guidance.

**Advancing supplier compliance**

To establish a consistent baseline of expectations, we require all Tier 1 diamond suppliers to hold RJC Code of Practices (CoP) certification. A progressive compliance pathway has also been initiated for coloured gemstone suppliers. As a result, 94% of our diamond suppliers are now RJC certified, and 76% of coloured gemstone suppliers have reached this level—representing a 24% increase between 2024 and 2025.

**RJC certification and supported transition pathways**

To ensure overall ESG standard within cutting facilities, we also require all cutting units involved in our value chain to be RJC CoP certified. Acknowledging that this certification process typically takes 12 to 24 months, we support our partners throughout the transition, provided they demonstrate transparency and a genuine commitment to compliance. When immediate RJC certification is not feasible, a SMETA 4-pillar audit may be conducted as an interim measure.

**Rethinking our supply chains**

To guarantee the origin and traceability of diamonds, we are prioritising short supply chains in the short and medium term, notably through partnerships with Tier 1 "sightholder" suppliers. Streamlining the value chain is a key enabler to ensure both compliance within cutting facilities and robust verification of provenance. In 2025, we conducted several traceability audits—both desktop and on-site—and established an official list of approved diamond origins.


## Zoom on Emerald Stone

### The Insofu Collection: a Story of Traceability and Meaningful Collaboration

For the second time in Chopard's history, we have taken the step of devising an Haute Joaillerie collection from a raw stone, offering an exceptional level of traceability, and an opportunity to work in closer collaboration with those at the beginning of the supply chain. The 6,225-carat rough emerald, unearthed in Zambia, was named Insofu (elephant in the local Bemba language) by the miners, because of its shape and colossal size.

**Traceability: a sustainable achievement**

Convinced that ethics and aesthetics must coexist, we pioneered the use of the Provenance Proof's Emerald Paternity Test provided by Gübelin Gem Lab. This cutting-edge method involves injecting DNA-based nanoparticles into the gem's natural fissures which remain intact through cutting and polishing. This marking is permanent, allowing the rough stone to be identified for life.

**Supporting community and conservation projects**

Gemfields, the mining company that unearthed Insofu in the Kagem mine in Zambia, funds projects that benefit education, healthcare, and livelihoods, as well as initiatives to protect Zambia's flora and fauna.

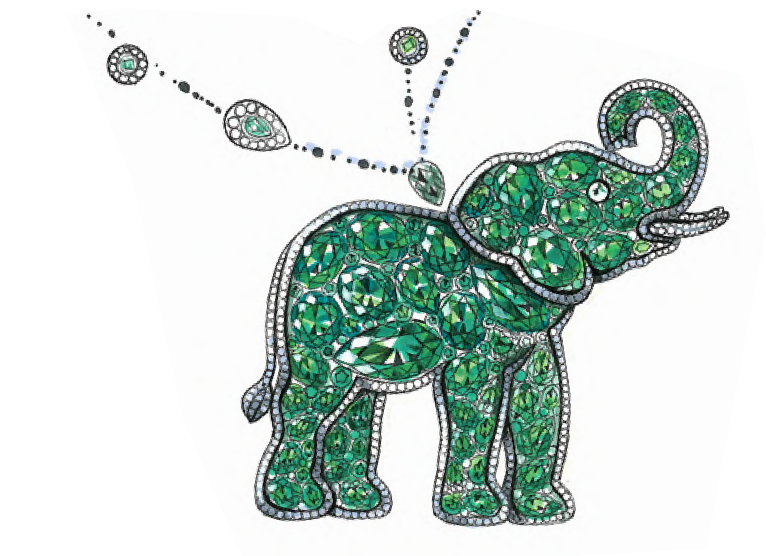
**Elephant Family: a meaningful collaboration**

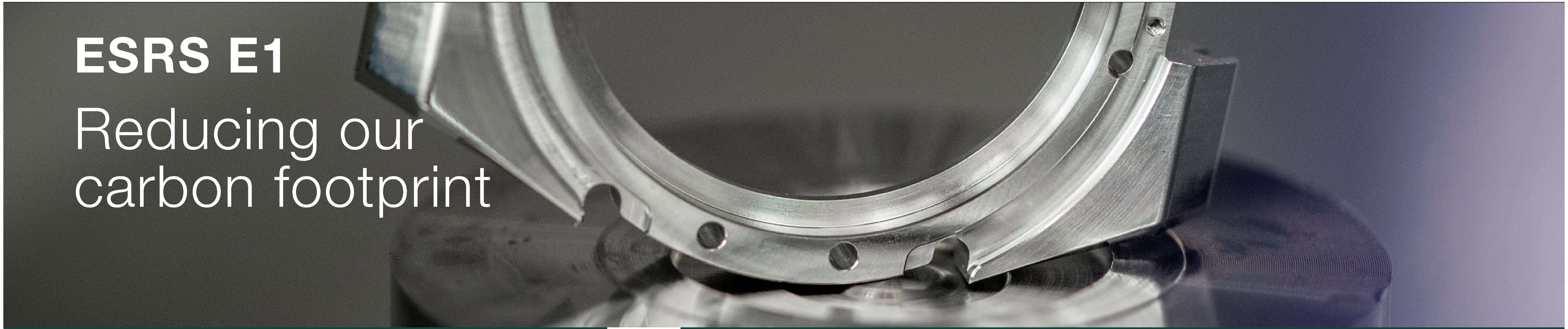
Part of the profits from each piece sold in the collection will be donated to support Elephant Family an NGO working in partnership with conservation experts to mitigate human-elephant conflict, safeguarding migratory corridors, and fostering community engagement to promote a culture of coexistence.

**Caroline Scheufele**

Co-President of Chopard

*Traceability is more than a technical advancement; it is an ethical achievement. The Insofu Collection reflects our belief that true beauty results from a genuine commitment to society and ethical practices.*



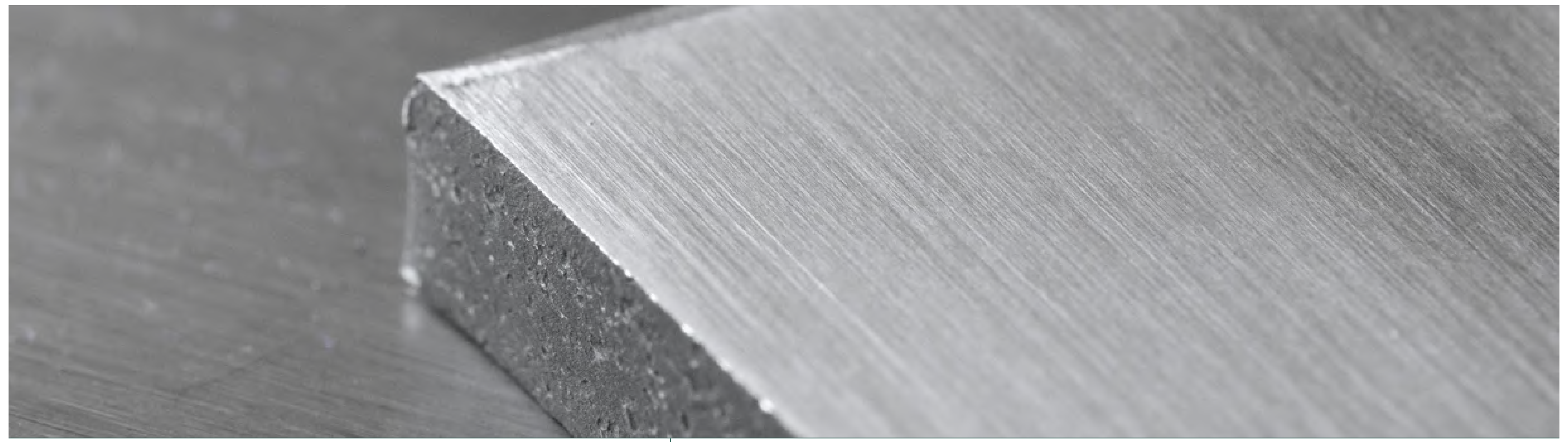


# ESRS E1

## Reducing our carbon footprint

### Context

**Climate action is reshaping our industry, and we are committed to driving change across our value chain. Since 2021, we have measured our Scope 1, 2 and 3 emissions, providing the foundation to structure our transition and track progress over time. In 2024, our near-term targets were validated by the Science Based Targets initiative (SBTi), aligning our trajectory with the Paris Agreement.**



| Achievements 2025 | Objectives 2026 – 2030 |
|---|---|
| Scope 1 & 2, reductions of **12%** GHG emissions in our Swiss buildings.<br><br>Scope 2: **80%** of the electricity purchased by the company comes from renewable sources. | Scopes 1 & 2: reduce absolute GHG emissions to **55%**.<br><br>Scope 2: increase active annual sourcing of renewable electricity from **85%** in 2023 to 100% by 2030.<br><br>Scope 3: reduce absolute GHG emissions from employee commuting by **25%**.<br><br>Scope 3: **80%** of our suppliers by emissions, from Purchased Goods and Services, have science-based targets. |

### Material IROs

| | Impact | Risk | Opportunity |
|---|---|---|---|
| **E1 - Climate change adaptation** | – Pressure on natural ecosystems and so-called virgin territories resulting from extraction activities and land use changes, contributing to ecosystem degradation and increased climate vulnerability. | – Increase in raw material procurement costs and supply disruptions linked to extreme weather events, climate-related hazards and reduced availability of certain resources. | – Improved traceability and transparency across the value chain, strengthening resilience and attractiveness for environmentally conscious customers.<br>– Business development opportunities driven by innovation, including products and sourcing models integrating adaptation and circularity principles, enabling access to new customer segments. |
| **E1 - Climate change mitigation** | – Increase in greenhouse gas (GHG) emissions across the value chain, including upstream sourcing, manufacturing, logistics and product use, contributing to global climate change. | – Higher operational and investment costs associated with compliance with evolving climate regulations, carbon pricing mechanisms and mitigation requirements. | – Innovation in product design, materials and processes leading to lower-carbon products and reduced life-cycle emissions.<br>– Strengthened competitiveness and brand positioning through alignment with climate transition pathways and stakeholder expectations. |
| **E1 - Energy consumption across the value chain** | – Energy consumption throughout the value chain, including extraction, production and distribution phases, contributing to global warming, ecosystem pressure and depletion of fossil fuel resources. | – Dependence on non-renewable energy sources, exposing extraction and production activities to energy scarcity, supply disruptions and price volatility. | – Transition to renewable and low-carbon energy sources at extraction and production sites, enabling a reduction of the supply chain's carbon footprint and improved long-term energy resilience.<br>– Operational efficiency gains through energy optimisation and improved energy management practices. |

## Strategies & policies

We have structured our governance to focus on the areas where our influence is most significant and to integrate climate considerations into our decision-making processes. Our carbon reduction strategy is overseen by the Sustainability team, ensuring coherence across functions.

**Scope 1 and 2 emissions,** linked to our own operations and energy use, are addressed through the Environmental Committee, which coordinates decarbonisation efforts across our production sites in collaboration with Facility Management and energy experts.

**Scope 3 emissions,** primarily within our upstream value chain, represent the largest share of our footprint and require broader coordination. The Purchasing team strengthens supplier engagement and data transparency, while Product Development and R&D contribute through eco-design and material innovation.

To build awareness and foster a culture of sustainability across the organisation, we regularly hold employee training sessions on climate change through the AXA Climate School programme.

**The Greenhouse Gas Protocol (GHG Protocol) divides emissions into three scopes:**

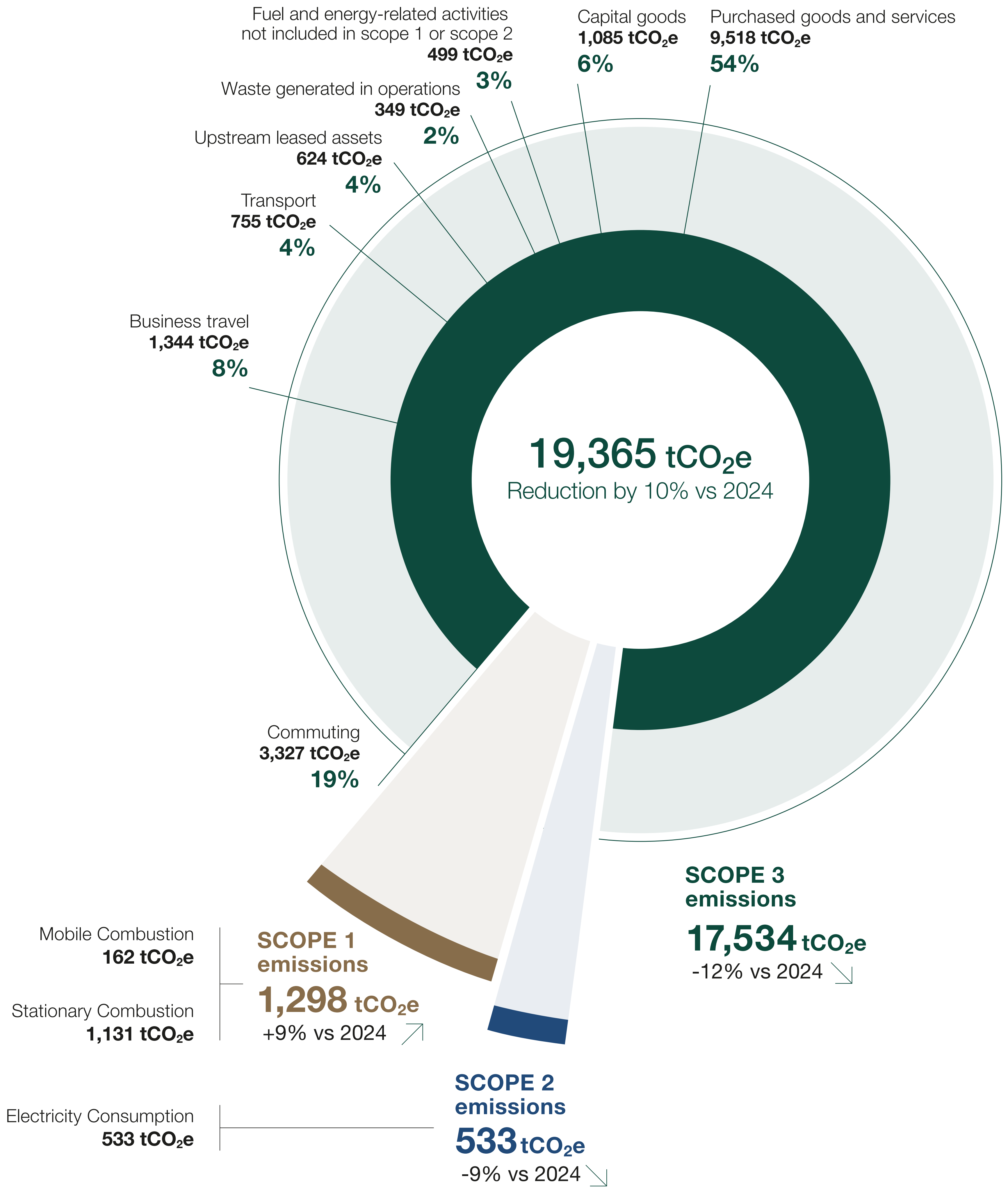
SCOPE 1 – direct emissions from sources owned or controlled by a company, such as fossil fuels used on production sites and emissions from our vehicles.

SCOPE 2 – indirect emissions from purchased electricity, steam, heat, and cooling.

SCOPE 3 – all other emissions associated with a company's activities, such as purchasing raw materials, business travel and employee commuting.

# CARBON ACCOUNTING 2025

Our latest review shows that our total carbon footprint in 2025 was reduced year-on-year by 10%, to 19,365 $tCO_2e$.




## Actions & commitments

**Scope 1 & 2 – Decarbonising Our Operations**
In 2025, we further reduced emissions linked to our own operations through energy efficiency, electrification and renewable energy sourcing. During the year, efforts focused on optimising heating and cooling systems, improving monitoring and refining operational settings to enhance overall performance.
Our sites and subsidiaries are progressively switching to renewable electricity, while on-site solar generation capacity continues to expand. We are also reassessing how heat and cold are produced, exploring solutions such as heat pumps and district heating connections, with the latter planned for implementation from early 2027 at our Fleurier site.
In parallel, improvements to insulation and alternative energy systems are under study for our German site, alongside the procurement of Energy Attribute Certificates (EACs), which certify the renewable origin of electricity.

**Scope 3 – Purchased Goods and Services**
Scope 3 emissions remain largely driven by purchased goods and services, particularly diamonds, precious stones and mined gold.
In 2025, overall emissions decreased by 10%, largely due to a 12% reduction in Scope 3 emissions. We continued to advance ecodesign initiatives, increase recycled content in sourced materials and assess opportunities to recycle existing stones through re-cutting and redesign.
Supplier engagement also progressed in line with our SBTi commitments, with 25% of our target suppliers having defined science-based targets. At the same time, engagement is already well advanced on our main impact categories, with direct work carried out with around 80% of diamond suppliers, while 100% of mined gold suppliers have submitted or are in the process of submitting science-based targets.

**Scope 3 – Mobility and Business Travel**
We further developed our internal mobility plan to reduce commuting-related emissions. Data collection at Meyrin was improved to better target actions.
Electric vehicle charging stations were installed at our head office and manufacturing sites, and our fleet transition towards electric and hybrid models continued. Selective business travel and digital alternatives are actively promoted. Employees benefit from access to a dedicated bike-sharing subscription through Donkey Republic, supporting low-carbon commuting solutions.

# 2

# ENGAGING *Our Communities*

Time gives depth to our creations. It also defines our responsibility. The same commitment to transmission that sustains our savoir-faire guides the way we engage with the people who make this journey possible, within our workshops and across our value chain.

From the preservation of rare crafts to the protection of those who work in our supply chain and the respect owed to communities in sourcing regions, our social commitment is rooted in continuity. It is about ensuring that the human foundations of our Maison remain as enduring as the pieces we create.


ESRS S1 ESRS S2 ESRS S3

# ESRS S1

# Employee training and skills development

## Context

The future of our Maison rests in the hands of those who carry its savoir-faire forward. Over 50 distinct crafts are practiced across our three manufacturing sites. Each generation receives, enriches and transmits this legacy, ensuring it remains alive — evolving with time while preserving the soul of the Artisan of Emotions.

## Material IROs

| | Impact | Risk | Opportunity |
|---|---|---|---|
| **S1 - Employee training and development** | – Enhanced employability and adaptability of employees in the labour market through skills development, knowledge transfer and continuous training.<br>– Strengthening of human capital, supporting workforce resilience, internal mobility and long-term value creation. | – Risk of skills gaps or talent shortages if training and development programmes are insufficient, misaligned with business needs or unable to anticipate evolving technical and strategic requirements.<br>– Potential loss of know-how and critical competencies in the event of high employee turnover or inadequate transmission of craftsmanship and specialised skills. | – Competitive advantage driven by the promotion, preservation and transmission of craftsmanship and specialised skills, reinforcing differentiation and excellence.<br>– Increased employee engagement, loyalty and performance through structured learning paths, career development opportunities and investment in people.<br>– Stronger employer attractiveness and talent retention, supporting long-term organisational performance and sustainability. |

## Actions & commitments

**Training & development: cultivating excellence**

In addition to a longstanding commitment to preserving and transmitting artisanal savoir-faire, we deploy each year a wide range of training programmes designed to prepare the expertise of tomorrow and support the individual aspirations of employees.

In 2025, we delivered several technical training programmes to strengthen the expertise required across both corporate departments and workshops. Workplace Health Management training was also provided to managers while Sales teams benefited from their annual training to strengthen commercial expertise, product knowledge and client engagement capabilities. Within the Swiss manufactures, we implemented dedicated training sessions to help employees integrate continuous improvement practices into their daily work life.

## 3 questions to...

**Aude**

Talent Development Manager

**How does Chopard articulate the transmission of artisanal savoir-faire with the preparation of the métiers of tomorrow through training?**

Training allows us to preserve our artisanal savoir-faire while ensuring that our teams are prepared for evolving tools and practices. In 2025, we reinforced technical competencies in areas such as gemmology, IT tools, project management and machine setting. These programmes help maintain the precision associated with the Maison, while enabling employees to adapt to changing operational requirements.

**The Maison places particular emphasis on versatility. How does this translate into the development of employees?**

Beyond training, we believe that employee development also comes from exposure to new tasks and roles. Versatility is encouraged through targeted initiatives (integration into a cross-functional project, temporary assignment to another team or department, knowledge transfer between colleagues…). By expanding their competencies, teams gain a more transversal understanding of their environment, which supports both operational continuity and individual development.

**The "Artisans of Leadership" programme was redesigned in 2025. What defines this new chapter?**

The redesigned programme allows participants to deepen soft skills topics and facilitates their integration into the teams' daily routines. It also encourages greater dialogue between departments and strengthens collaboration. The first module, centred on feedback culture, combined 'lunch & learn' sessions with small-group workshops. Participants practised feedback techniques, shared professional experiences and gained insights into the organisation and strategy of other functions.

### The Artisans of Leadership programme (2025-2026)

Our managerial development programme was fully redesigned to focus on three core soft skills and includes cross-departmental insights into selected functions, enabling the 120 participants from the Meyrin and Fleurier sites to gain a broader understanding of the products lifecycle and some departments' strategy.

### Training for sustainability

Transforming our Maison to meet the challenges facing society and our industry is a team effort. Our e-learning programme called "Together for Sustainability Luxury", aligned with the RJC principles, covers topics such as the low-carbon transition, the circular economy (based on AXA Climate School contents), as well as diversity and inclusion.

In 2025, we strengthened environmental awareness across the company by rolling out dedicated training modules for all employees, helping them better understand the impact of their activities. Complementary modules on water, biodiversity and ecosystems deepened their knowledge of environmental and social transition topics.

### Digital Learning Offer

In 2025, new digital modules were developed on the following topics for examples:

— Content related to our core collections such as L'Heure du Diamant or the Poinçon de Genève module.

— Compliance Month programme, strengthening the mastery of professional knowhow and internal requirements.

— For retail teams: the Boutique Security Awareness.

## Actions & commitments

### Apprenticeship: sustaining the art of watchmaking

We established our first in-house luxury jewellery training department in 1980, followed by a dedicated watchmaking training department in Meyrin in 1989, and later in Fleurier, Switzerland, in 2006. Today, our comprehensive apprenticeships offer a solid grounding to our 47 apprentices in jewellery, watchmaking, micromechanics, surface finishing and stone-setting.

Our training policy involves fostering the transmission of a unique savoir-faire by sharing knowledge between different generations in our teams. Once they have completed their formal training, they begin working alongside skilled, experienced artisans, who pass on their knowledge and help to keep the traditional skills alive. The rarity of the skills often means this type of training is the only source of knowledge available in these fields.

**David**

International Customer Service Trainer

*Training, for me, is about transmission. My trainees come from all over the world, and each of them arrives with a different background and experience. My role is to create the right conditions, so they feel confident, respected and fully engaged. Our sessions are short and focused yet demanding. It is about understanding each individual, helping them progress quickly, and encouraging them to give their very best. When they return to their service centres, they do not only bring technical skills — they carry with them our standards, our care and the precision that define Chopard.*

## Distinguished achievements of our apprentices in 2025:

- Gabriel Barros Martins Prisca, former watchmaking apprentice, was named Best Apprentice of the Val-de-Travers and ranked 2nd in the canton of Neuchâtel.
- Gabriel Sanchez, jewellery apprentice, received the Public Prize in the Design category at GemGenève 2025 during his third year of training.
- Adrien Drago, former jewellery apprentice achieved ranked 2nd in the canton of Geneva and achieved 3rd place at the Prix Piaget du Meilleur Ouvrier Romand, a prestigious competition highlighting leading jewellery talents.

## 3 questions to...

**Adeline**

Watchmaking Training Manager

**You were yourself trained within the Maison. What does it mean today to lead the apprenticeship programme in watchmaking?**

My predecessor led the watchmaking training programme specialized in repair and servicing for 20 years, and I took over with the same sense of responsibility. The apprenticeship prepares future watchmakers primarily for after-sales and restoration work. Our objective is not production output, but mastery — understanding how a movement was conceived, how it functions, and how to restore it with respect for its integrity. In a region like Neuchâtel, where watchmaking is deeply rooted, this continuity carries meaning.

**What distinguishes the apprenticeship experience in restoration watchmaking at Chopard?**

A distinctive element of the programme is the training watch, which each apprentice progressively assembles over four years using traditional construction techniques. In addition, apprentices may complete internships within other Maisons of the Group, including Ferdinand Berthoud or the Atelier Tradition. These placements expose them to highly specialised watchmaking environments — from high-end timepieces requiring exceptional precision to projects such as 'Naissance d'une Montre 3', where a watch is created using traditional methods without digital assistance. Such exposure is uncommon at apprenticeship level.

**How does this training prepare apprentices for their professional future?**

This training gives apprentices a strong and concrete foundation. They work on a wide variety of calibres and have the opportunity to discover some major complications. Restoration teaches them patience, precision and respect for traditional construction. Over four years, they gain autonomy and confidence in their work. Whether they continue within the Maison or follow another path in watchmaking, they leave with solid skills and the ability to approach even complex movements with assurance.

# ESRS S2

# Health and safety in the value chain

## Context

**From mine to manufacture, the watch and jewellery sector relies on complex, global supply chains. The women and men who extract, refine, cut and polish the materials we use may be exposed to health and safety risks. Recognising these realities, we uphold clear standards and close oversight — integral to responsible sourcing, ethical conduct and the resilience and continuity of our activities.**

## Strategies & policies

Health and safety in the value chain is addressed through our Responsible Sourcing governance framework under the leadership of the Head of Corporate Sustainability. Due diligence processes integrate health and safety into supplier risk assessment and monitoring. Our expectations are set out in the Supplier Code of Conduct, which is included in our contracts and defines clear requirements on protective measures, risk prevention, training and management systems.

We adopt a risk-based approach aligned with international standards, combining third-party certifications and audits with continuous monitoring through our digital Supplier Management Platform. A particular attention is given to higher-risk activities such as mining, refining and cutting.

To ensure transparency and accountability, a grievance mechanism — accessible to workers and external stakeholders via our Alert Line — allows concerns, including those related to health and safety, to be raised confidentially and addressed through a structured follow-up process.

## Material IROs

| | Impact | Risk | Opportunity |
|---|---|---|---|
| **S2 - Health & safety in the value chain** | – Potential deterioration of the health, safety and well-being of workers involved in upstream activities, including the extraction of raw materials, due to unsafe working conditions or insufficient protective measures.<br>– Adverse effects on workers' physical and mental health, with negative implications for their dignity, quality of life and private lives. | – Increased compliance and operational costs linked to audits and corrective action plans across the supply chain.<br>– Reputational and legal risks stemming from serious accidents, poor safety records or inadequate health and safety management among suppliers, potentially leading to stakeholder scrutiny and supply chain disruption. | – Deployment of robust health and safety standards and supplier engagement programmes, contributing to safer working environments and improved risk management across the value chain.<br>– Strengthened relationships with responsible suppliers and enhanced credibility with stakeholders through systematic monitoring, transparency and continuous improvement on health and safety issues. |
| **S2 - Fair labour practices in the value chain** | – Risk of deterioration in workers' health, safety and living conditions due to unfair labour practices, including forced labour, inadequate wages or poor working conditions, with impacts on physical and mental well-being.<br>– Exposure of vulnerable groups, including young workers, to unacceptable labour conditions, potentially resulting in long-term social harm and human rights violations. | – Compliance costs and operational constraints arising from increasing regulatory requirements on human rights due diligence, labour standards and supplier oversight.<br>– Significant reputational, legal and commercial risks associated with labour rights violations (e.g. forced labour, child labour), potentially amplified by NGO campaigns, media coverage and loss of customer trust. | – Strengthening of responsible sourcing and supplier due diligence practices, contributing to fair working conditions and respect for human rights throughout the value chain.<br>– Long-term value creation through stable, ethical and resilient supply chains, supported by transparent labour standards and continuous supplier engagement. |

## Actions & commitments

### Health & Safety, from mine to manufacture

Our refiners, cutters, polishers and key component manufacturers are expected to demonstrate alignment with internationally recognised frameworks such as the RJC Code of Practices (see p.11), SMETA audits and ISO 45001 management systems. These standards integrate health and safety alongside labour, environmental and ethical requirements, ensuring a comprehensive approach.

Regular on-site audits, combined with close monitoring of corrective action plans through our digital platform, provide visibility and follow-up. In sourcing gold and diamonds, we prioritise validated mines assessed against human rights, health and safety and environmental criteria, while taking regional risk factors into account. In higher-risk contexts such as artisanal mining, we work collectively through partnerships including the Swiss Better Gold Association (see p.38). Health and safety represent a central pillar of its field programmes, supporting miners through practical training, equipment guidance and regular site visits that accompany progress over time.

### Providing employees with the tools they need to stay safe and healthy

At Meyrin, occupational health and safety is embedded in a preventive and structured approach, combining risk assessments, targeted training and continuous improvement. Training programs cover key risk areas — including chemicals, noise, ergonomics, electrical hazards and first aid procedures — ensuring that employees are equipped with the knowledge and practices required for a safe working environment.

In 2025, this represented more than 300 employees trained. Particular attention is also given to ergonomics, with ongoing adjustments of workstations to reduce physical strain and support long-term well-being. Through these measures, safety is integrated into daily practices, fostering a culture of awareness, responsibility and prevention across all activities.

## Embedding a safety culture through structured procedures in Germany

At our Karl Scheufele GmbH production site in Germany, occupational health and safety is supported through a structured and operational approach combining governance, procedures and on-site practices. A comprehensive organisation, bringing together internal and external experts and supported by line managers, ensures that accidents are systematically prevented and that working environments are safe and ergonomic.

This organisation includes:
- an internal occupational safety specialist,
- an external safety officer,
- a hazardous substances officer;
- several laser safety officers,
- an external fire protection officer,
- an occupational physician,
- safety representatives and trained first aiders in all departments.

In 2025, this framework was reinforced through the update of 51 risk assessments, supported by onsite inspections to identify risks and implement appropriate protective measures. Regular mandatory training sessions, along with systematic inspections of equipment and installations, further contribute to maintaining a high level of safety and compliance.

Prevention is driven through structured Safety Walks, enabling direct observation of work situations and the resolution of identified deviations, with 92 cases addressed during the year. Hazardous substances management also remains a key focus, with 339 operating instructions updated, including 253 dedicated to safe handling practices.

Significant ergonomic improvements were also implemented to reduce physical strain, optimise workstations, and prevent long-term health impacts.

# ESRS S3

# Human rights and community relations

## Context

**Across countries where precious metals and gemstones are mined, local communities often stand closest to the realities of extraction. Respecting human rights and fostering meaningful dialogue are integral to responsible sourcing. Through structured due diligence and long-term partnerships, we seek to support dignified livelihoods and resilient communities along our value chain.**

## Strategies & policies

Beyond operational risks affecting workers and the environment, mining activities may influence livelihoods, land use and local community dynamics. Integrating human rights considerations into our Responsible Sourcing governance (see p.21) supports a consistent and attentive approach across our value chain.

Our Human Rights Due Diligence process:
- Mapping key precious metals and precious stones to identify mining origins
- Assessing country- and site-level exposure to tensions between mining operators and local communities, through press, NGO monitoring and local experts
- Requesting formalised community engagement frameworks from mining producers
- Engaging with local stakeholders through specialised partners such as the Swiss Better Gold Association (see below).

Our commitments are formalised in the Responsible Sourcing Policy, and a detailed Supply Chain Due Diligence Report is produced every year. Communities can access a grievance mechanism to raise concerns confidentially (see p.44).

## Material IROs

| | Impact | Risk | Opportunity |
|---|---|---|---|
| **S3 - Human rights and community relations** | – Habitat destruction and forced displacement of local communities associated with the establishment or expansion of mining and extraction activities, affecting livelihoods, cultural heritage and social cohesion.<br>– Deterioration of community health and quality of life resulting from air, soil and water pollution, combined with increased pressure on natural resources and reduced access to essential services. | – Disruption of the supply chain due to conflicts between local communities and extraction or mining operators, potentially leading to operational delays, sourcing constraints and increased costs.<br>– Reputational and legal risks arising from inadequate management of community impacts or human rights concerns, including heightened scrutiny from NGOs, regulators and other stakeholders. | – Strengthening engagement with local communities through inclusive dialogue, impact assessments and grievance mechanisms, contributing to improved social acceptance and long-term operational stability.<br>– Development of responsible sourcing and community investment initiatives that support local development, environmental protection and respect for human rights. |

## Actions & commitments ESRS S3

### Working with Artisanal and Small-Scale Miners (ASM)

Today worldwide, around 20% of gold and 80% of coloured gemstones are sourced from ASM, providing livelihoods for more than 44 million people and supporting an estimated 100 million individuals.

We recognise our responsibilities towards local communities and have supported ASMs for over a decade, particularly through our responsible gold sourcing commitments.

This engagement forms a meaningful part of our sustainability strategy. Through targeted technical assistance, social development initiatives and environmental stewardship programmes, we seek to contribute to safer practices and strengthened local resilience. This includes support for the prevention of environmental incidents, reforestation projects that sustain livelihoods, and the gradual transition towards renewable energy solutions led by our partners on the ground.

### Bringing Social and Economic Benefits to Gold Mining Communities

A key objective for 2025 has been to continue fostering positive impact within gold ASM mining communities, supporting local priorities such as access to water, education and energy.

For each kilogram of ASM gold purchased, we pay a dedicated premium. This contribution helps finance energy transition initiatives, community infrastructure and the development of complementary economic activities alongside mining.

In 2025, projects implemented with the Swiss Better Gold Association focused on tangible improvements, including the development of a community-managed river transport system, road infrastructure upgrades to improve access to remote areas, and reforestation programmes combining tree nursery development, planting and maintenance. Social initiatives also helped strengthen local livelihoods and community cohesion.

Progress is monitored over time through structured impact reporting, providing visibility on the benefits generated locally and helping guide future actions (see more p.41).

### Supporting Colombia's Gold Panners

Subsistence mining in Colombia is carried out by men and women using traditional alluvial techniques and manual tools such as sluices and pans. By law, these miners — known locally as barequeros — must not use machinery or chemicals, resulting in minimal environmental impact. Their activity provides essential income while preserving fragile ecosystems.

In line with our commitment to human rights and environmental stewardship, we have supported since 2019, a local initiative aimed at improving the working conditions of more than 2,000 barequeros in the department of El Chocó, Colombia's second-largest gold-producing region and one of its poorest.

The project ensures that barequeros receive a fair income, along with a premium for each gram of gold sold. They also benefit from training in occupational health and safety, prevention of child labour, basic environmental protection and gender rights.

## 3 questions to...

**Barbara Stulz**
Strategic Coordinator for the Swiss Better Gold in Peru

SBG SWISSBETTERGOLD

**How do you approach community engagement in such diverse mining contexts?**

Communities are inherently diverse. Each supply chain and the communities around the mines reflect a specific reality. Their histories, cultures and social structures differ, which makes engagement complex. To strengthen our approach, we now encourage more systematic assessments of the local social context, helping to better understand community expectations and priorities.
Building trust between a mine and neighbouring communities takes time. It calls for continuity and dedicated teams able to nurture this relationship over the long term. Larger operations often have more resources to appoint social experts responsible for community relations. As Swiss Better Gold, we work with the mines to strengthen their community relations, highlighting the benefits for the mines as well as the communities.

**How do you ensure that local communities are meaningfully involved in decision-making?**

Strengthening community involvement remains a priority. The objective is to move beyond formal compliance towards practices that are genuinely shared and understood. For projects cofinanced by the Swiss Better Gold Fund, we request clear evidence of engagement — agreements with public authorities, formal arrangements with municipalities, and minutes of stakeholder meetings — to ensure that dialogue is documented and sustained over time. In supporting the mines when formulating community projects, we play a key role, providing both structure and resources so that commitments translate into concrete action on the ground.For example, in 2025, we supported the creation of a community transport system in Tamaco, Colombia, in collaboration with a small-scale mine and local authorities. A boat, now operated by the community, connects two riverbanks. We have also cofinanced several reforestation initiatives in areas affected by open-pit mining.

These projects are demanding, yet through consistent field expertise and long-term engagement, they contribute to strengthening local well-being and environmental resilience.

**How do you involve the SBG members, such as watch and jewellery brands, and how do you measure long-term impact?**

When it comes to the Swiss Better Gold Fund, members engage through the Swiss Better Gold Fund Committee, which brings together representatives from civil society and sourcing and support members, including Chopard. The Committee reviews proposed projects, it provides an external perspective. Members may also make voluntary contributions often earmarked to support specific initiatives.
Generally, SBG's impact is monitored over time through regular site visits and follow-up with partner mines. An indicator framework, developed in 2024 and implemented in 2025, structures this assessment. Results are consolidated in our Annual Impact Report.

# 3

# ACTING *Collectively*

The world continues to face an evolving landscape of environmental and social challenges that, we believe, are best addressed collectively. Beyond individual commitments, we engage alongside industry peers and international organisations in multi-stakeholder initiatives — including the Responsible Jewellery Council (RJC), the Swiss Federation of the Watch Industry (FH) and, more recently, Sedex — to strengthen shared standards and improve transparency across our value chain.

By working together, sharing knowledge and setting ambitious targets, we amplify our positive social and environmental impact, demonstrating that sustainability is a shared responsibility essential to the future of our industry.

# ESRS E1, S2, S3

# Working with the industry

## Context

**Shaping a more responsible watch and jewellery sector requires more than individual commitment. By engaging alongside our peers, we contribute to shared standards and collective progress in responsible sourcing, climate action and traceability. Acting together strengthens the impact of our commitments and reinforces the long-term resilience of our industry.**

| Achievements 2025 | Objectives 2026 – 2030 |
|---|---|
| **84%** of our fine gold is sourced from accredited artisanal mines through the Swiss Better Gold partnership.<br><br>**34%** of our steel is purchased from steelmakers who have set both near-term and long-term science-based emissions reduction targets. | Maintain a minimum threshold of **70%** of our global fine gold supply from accredited artisanal mines through our partnership with the Swiss Better Gold. |

**Climate Group SteelZero** building the demand for a net-zero steel.

In alignment with the Climate Group's SteelZero, procure at least **50%** of our steel from steelmakers with "lower emission steel" or who have set a science-based emissions target.

## Strategies & policies

We believe that the sustainability challenges faced by the watch and jewellery sector require collective engagement. By working with our peers, we contribute to the development of shared practices that support more responsible resource use and help reduce environmental and social impacts across our industry.

The Sustainability Department coordinates these collaborations and ensures alignment with our Responsible Sourcing and Climate strategies. Depending on the subject, colleagues from Purchasing, Innovation & Engineering, Product Development, Quality and Manufacturing contribute to working groups and technical exchanges.

Our priorities focus on strengthening transparency and traceability in our supply chains, supporting structured improvements in artisanal mining practices that benefit local communities, advancing the transition towards lower-emission steel, and contributing to common sustainability initiatives within the watchmaking sector.

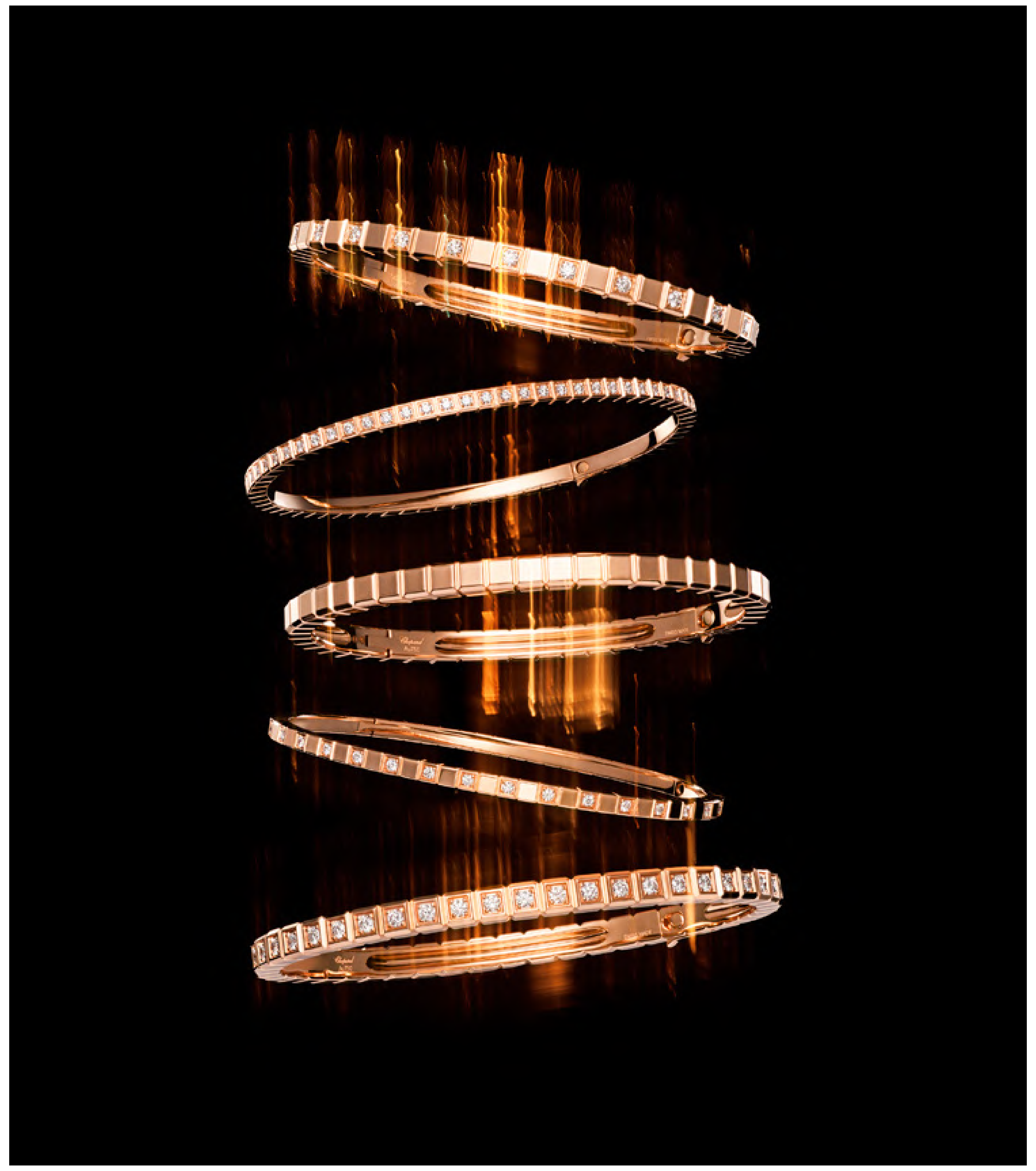
*In times of record-high gold prices and gold rush–like situations in producer countries, we must redouble our efforts to ensure that gold is produced in a socially and environmentally responsible manner. Chopard has been a key supporter of Swiss Better Gold since 2017, and we are pleased to see their commitment to responsible and traceable supply chains – from artisanal, small and medium scale mines to the market – reinforced during these turbulent times.*

**Christian Sieber**
Global Programme Director – Swiss Better Gold

## Actions & commitments

### Responsible Jewellery Council (RJC)

Chopard has been a member of the Responsible Jewellery Council (RJC) since 2010. The RJC is the leading standards-setting organisation for the watch and jewellery industry, bringing together more than 2,000 companies in 74 countries across the value chain, from mining to retail. Its mission is to promote ethical, social and environmentally responsible practices in the sourcing of precious metals and gemstones.



### Swiss Better Gold Association (SBG)

The Swiss Better Gold Association works to strengthen working and living conditions in artisanal and small-scale gold mining communities and to facilitate responsible supply chains to the Swiss market. In partnership with the Swiss State Secretariat for Economic Affairs (SECO), it implements the Swiss Better Gold Initiative for Artisanal and Small-Scale Mining (ASM).

Since 2017, our collaboration with SBG has enabled full traceability of gold from mine to manufacture, while supporting socio-economic and environmental improvements in Peru and Colombia. Our Head of Sustainability has been serving on the Association's Board of Directors since 2020, contributing to its strategic direction and to the broader advancement of responsible gold procurement.

For each kilogram of gold purchased through the programme, we pay a premium. This contribution finances technical assistance for miners, as well as environmental and community development projects that strengthen local livelihoods.

### The Coloured Gemstones Working Group (CGWG)

Since 2019, we have been part of a working group bringing together luxury brands and mining companies to advance responsible sourcing practices for coloured gemstones. The group provides training, management tools and expert guidance to support companies across the supply chain in strengthening their sustainability performance and due diligence frameworks. Through this engagement, we contribute to greater transparency and improved practices within the coloured gemstone industry.

### Climate Group - SteelZero

In 2023, we became the first luxury Maison to join SteelZero. This global initiative brings together organisations from diverse sectors to accelerate the transition to a net zero steel industry. It leverages the collective purchasing power and influence of its members to send a clear signal to steel producers, investors and policymakers, supporting the large-scale production of net zero steel.

Organisations joining SteelZero commit to ensuring that 100% of their steel requirement qualifies as net zero steel by 2050. An interim target requires that 50% of steel procured, specified or stocked by 2030 meets lower-emission criteria.

This interim objective can be achieved through one or both of the following pathways:

1. Steel produced by a steelmaking site where the steelmaker has a science-based emissions target.
2. "Lower Emission Steel", aligning with ResponsibleSteel Decarbonisation Progress Level 2.

### Association pour l'Assurance Qualité des Fabricants de Bracelets Cuir (AQC)

The AQC collaborates with stakeholders across the leather bracelet value chain — including watch brands, tanneries and alligator farms — to strengthen traceability and sustainability practices.


### WE Watchmaking Ecodesign

In 2024, we co-founded with industry peers the WE Watchmaking Ecodesign consortium, an initiative focused on strengthening environmental knowledge within the Swiss watchmaking sector. The consortium works to drive consistent and measurable progress by developing shared methodologies for life cycle assessment, improving resource efficiency and material use, and integrating sustainability considerations across the value chain.

### Sedex

In 2025, we became a member of Sedex, a global platform dedicated to strengthening responsible business practices across supply chains. Sedex provides tools and data to assess and monitor labour standards, health and safety, environmental management and business ethics, supporting greater transparency and risk management.

Through its digital platform and services — including the SMETA site-level audit framework — Sedex enables companies to evaluate supplier performance, share audit results and structure corrective action plans. With more than 20 years of experience, Sedex brings together a broad international network of businesses and supply chain sites across multiple sectors.


### Fédération de l'industrie horlogère Suisse (FH)

Through our membership in the Swiss Federation of the Watch Industry (FH), we participate in collective work on ESG regulatory developments and key sustainability topics. This engagement strengthens our ability to anticipate evolving requirements, contribute with technical expertise and support the alignment of practices within the watchmaking sector.

# ESRS E4

# Precious territories

## Context

**Our Precious Territories programme is focused on preserving the beauty of the world and the precious natural landscapes where we operate. From the stunning mountains surrounding our home in the Swiss Alps to countries thousands of kilometres away where our gemstones and metals are sourced, we are actively addressing our environmental impacts and responsibilities.**

## Strategies & policies ESRS E4

We support people and organisations working to protect endangered natural landscapes, wildlife and ecosystems, recognising that safeguarding nature and addressing biodiversity loss is one of the defining challenges of our time. Some of our initiatives are in regions where our raw materials are extracted, while others are where we have our manufacturing activities and where we sell our products. Together, they contribute to the restoration and protection of ecosystems and landscapes connected to our value chain.

Our approach is aligned with the TNFD (Taskforce on Nature-related Financial Disclosures) framework, which provides a structured methodology to identify, assess and manage nature-related risks and dependencies.

In 2025, we elaborated our biodiversity strategy by applying the TNFD's LEAP framework (Locate, Evaluate, Assess, Prepare) across our global value chain. Through the LEAP approach, we aim at transforming biodiversity from a contextual issue into a pillar of our sustainable strategy.

| Achievements 2025 | Objectives 2026 – 2030 |
|---|---|
| TNFD's LEAP framework (Locate, Evaluate, Assess, Prepare) applied across the majority of our sourcing and operational sites. | Protect and restore ecosystems and biodiversity linked to risks in our upstream supply chain.<br><br>Contribute to the protection of Alpine ecosystems, through our Foundation Alpine Eagle. |

## Material IROs

| | Impact | Risk | Opportunity |
|---|---|---|---|
| **E4 - Protection of biodiversity and ecosystems** | – Land use and natural resource extraction activities contributing to habitat fragmentation, ecosystem degradation and loss of species, particularly in upstream sourcing and extraction areas.<br><br>– Potential pressure on biodiversity resulting from industrial activities, infrastructure development and changes in land use across the value chain. | – Increased regulatory and compliance risks related to biodiversity protection, land use restrictions and environmental impact assessments, potentially affecting sourcing practices, project timelines and costs.<br><br>– Reputational risks associated with negative impacts on ecosystems or biodiversity hotspots, particularly where operations or suppliers are located in ecologically sensitive areas. | – Integration of biodiversity considerations into sourcing strategies, site management and environmental due diligence, strengthening resilience and alignment with evolving regulatory and stakeholder expectations.<br><br>– Development of responsible sourcing practices and partnerships contributing to ecosystem preservation, restoration initiatives and nature-positive approaches across the value chain.<br><br>– Enhanced brand credibility and differentiation through transparent commitments to biodiversity protection and ecosystem stewardship. |

## Actions & commitments ESRS E4

Our value chain encompasses sites across five continents, from mining operations and leather farms upstream, to production sites, subsidiaries and boutiques downstream. Because our creations rely on precious metals, gemstones and natural materials, biodiversity protection is intrinsic to the resilience of our business.

Through LEAP, we conducted a comprehensive mapping of our direct operations and supply chain sites, identifying geographic exposure to biodiversity-sensitive areas and ecosystem services on which our activities depend. The LEAP assessment directly informs our Precious Territories programme, structured around four areas of commitment:
1. Reducing impacts from mining extraction
2. Improving leather sourcing practices
3. Supporting and investing in biodiversity impact projects
4. Enhancing biodiversity around our operational sites

Using internationally recognised tools, we assessed:
- Physical risks (water availability, ecosystem degradation, deforestation, soil and climate exposure)
- Reputational and socio-environmental risks (proximity to protected areas, indigenous communities, species rarity and ecosystem sensitivity)

Each site was evaluated against five biodiversity indicators and assigned a risk score from 1 to 5.

For each, we have defined action plans addressing both risk mitigation and opportunity management, as well as measurable targets and key performance indicators.

## UPSTREAM

### Improve infrastructure and equipment at the Mina Tenerife (Colombia) processing site to make gold recovery more efficient and more mechanised.

The project involved building a new gold processing area to improve recovery rates while reducing environmental impact. The upgraded facility includes systems that allow water to be reused and waste to be managed more effectively. This investment increases operational efficiency and helps limit water consumption, improve waste control and strengthen overall environmental performance at the site.

### Reforestation of exploited areas in Mina Tenerife (Colombia)

The project aims to restore areas affected by mining operations through reforestation and land rehabilitation. Around 32 hectares have been replanted, following land reshaping and drainage work to stabilise the soil. These actions help prevent erosion, restore vegetation cover, support wildlife habitats and reduce the visual impact of mining activities.

Rehabilitation has been ongoing since 2019, with continued support dedicated to maintaining and monitoring restored areas and assessing biodiversity recovery over time. The programme also involves local communities in planting and maintenance efforts, and from 2025, it includes beekeeping, with the installation of a 17-hive apiary.

### Reforestation project in Busiraco (Colombia)

The Busiraco project supported the reforestation of riverbanks in the areas surrounding the mines, using native species and actively involving local communities.

It was implemented in two phases. The first phase focused on the construction of a greenhouse and the development of a tree nursery to produce seedlings adapted to the local ecosystem. The second phase involved planting these seedlings and ensuring their maintenance, including fertilisation.

By restoring vegetation along riverbanks, the project contributed to soil stabilisation, erosion prevention and the rehabilitation of local ecosystems.

## DOWNSTREAM

ALPINE EAGLE FOUNDATION

### The Alpine Eagle Foundation

Founded in 2021 by Chopard Co-President Karl-Friedrich Scheufele, the Alpine Eagle Foundation works to protect Alpine ecosystems and biodiversity through awareness, research and concrete conservation action.

In partnership with the Les Aigles du Léman project, 21 white-tailed eagles have been reintroduced to date, with more than 80 planned by the end of the decade. Releases are taking place in France and Switzerland, particularly around Lake Geneva, where the species were last seen over 130 years ago.

The Foundation also collaborates with the Chair of Conservation Biology at the University of Bern to protect the golden eagle, focusing on research to reduce collision risks with wind turbines installed at higher altitudes.

# APPENDIX

Chopard

# OUR IMPACTS, RISKS AND OPPORTUNITIES (IROS)

| | ISSUE | IRO | DESCRIPTION | VALUE CHAIN: Upstream | VALUE CHAIN: Operations | VALUE CHAIN: Downstream B2B (distributors) | VALUE CHAIN: Downstream B2C (clients) | TIME HORIZON | IMPACT |
|---|---|---|---|---|---|---|---|---|---|
| ENVIRONMENT | E1 - Climate change adaptation | Negative impact | Degradation of new so-called virgin territories through exploitation for extraction | x | | | | Long-term | Real |
| ENVIRONMENT | E1 - Climate change adaptation | Risk | Increase in raw material procurement costs linked to extreme weather events | x | | | | Medium-term | Real |
| ENVIRONMENT | E1 -Climate change mitigation | Negative impact | Increase in GHG emissions into the atmosphere across the entire value chain | x | x | x | x | Short-term | Real |
| ENVIRONMENT | E1 - Climate change mitigation | Risk | Increased costs associated with compliance | x | x | x | | Short-term | Real |
| ENVIRONMENT | E1 - Climate change mitigation | Opportunity | Innovation towards certain products with less climate impact | | x | x | x | Short-term | Real |
| ENVIRONMENT | E1 - Energy consumption across the value chain | Negative impact | Energy consumption throughout the value chain requiring the destruction of ecosystems for the extraction of materials needed for energy production, contributing to global warming and the depletion of fossil fuel sources | x | x | x | x | Short-term | Real |
| ENVIRONMENT | E1 - Energy consumption across the value chain | Risk | Dependence on non-renewable energy sources, exposing the extraction, production and distribution stages to risks of energy scarcity and cost volatility | x | x | x | x | Medium-term | Real |
| ENVIRONMENT | E1 - Energy consumption across the value chain | Opportunity | Transition to renewable energy for extraction and production sites, enabling the reduction of the supply chain's carbon footprint | x | x | | | Short-term | Real |
| ENVIRONMENT | E2 - Water, air and soil pollution | Negative impact | Water pollution from gold mining | x | | | | Short-term | Real |
| ENVIRONMENT | E2 - Water, air and soil pollution | Risk | Cost of regulatory compensation paid to states or communities for potential damages caused by water, air, and soil pollution | x | | | | Long-term | Potential |
| ENVIRONMENT | E2 - Water, air and soil pollution | Risk | Inability to produce if substances of concern are present | | x | | | Short-term | Real |
| ENVIRONMENT | E3 - Water consumption | Negative impact | Contributing to water resource depletion in the production process | | x | | | Long-term | Real |
| ENVIRONMENT | E3 - Water consumption | Risk | Decline in turnover linked to the company's reputation in the event of scandals arising from irresponsible water resource management | x | x | | | Medium-term | Potential |
| ENVIRONMENT | E3 - Water withdrawals | Negative impact | Contribution to the depletion of water resources during mining operations | x | | | | Medium-term | Real |
| ENVIRONMENT | E3 - Water withdrawals | Negative impact | Contribution to water resource depletion during mining in areas of high water stress | x | | | | Short-term | Real |
| ENVIRONMENT | E3 - Water withdrawals | Risk | Regulatory risk related to water restrictions based on resource availability | x | | | | Medium-term | Real |
| ENVIRONMENT | E4 - Protection of biodiversity and ecosystems | Negative impact | Land use leading to habitat fragmentation and species loss | x | | | | Long-term | Real |
| ENVIRONMENT | E5 - Extraction of mineral raw materials | Negative impact | Use of virgin raw materials leading to changes in soil composition, depletion of raw material availability and deforestation | x | | | | Medium-term | Real |
| ENVIRONMENT | E5 - Extraction of mineral raw materials | Risk | Scarcity of resources (stones, etc.) leading to an increase in the price of raw materials | x | | | | Short-term | Real |
| ENVIRONMENT | E5 - Extraction of mineral raw materials | Opportunity | Improved traceability and transparency, helping to attract environmentally conscious customers | x | | x | x | Short-term | Real |
| ENVIRONMENT | E5 - Extraction of mineral raw materials | Opportunity | Business development through innovation towards products that incorporate circularity requirements and enable new types of consumers to be reached | x | x | | | Short-term | Real |
| ENVIRONMENT | E5 - Sustainable packaging and waste management | Negative impact | Production of packaging and waste, and consumption of raw materials | | | x | x | Short-term | Real |
| ENVIRONMENT | E5 - Sustainable packaging and waste management | Positive impact | Contributing to the emergence of new consumption patterns (reuse, recycling, second-hand) | | | | x | Medium-term | Potential |
| ENVIRONMENT | E5 - Sustainable packaging and waste management | Opportunity | Development of ecodesigned and recyclable packaging, strengthening brand image and meeting the growing expectations of customers regarding sustainability | | x | x | x | Short-term | Real |
| SOCIAL | S1 - Employee health & safety and working conditions | Negative impact | Deterioration in the health, safety and wellbeing of employees | | x | | | Long-term | Potential |
| SOCIAL | S1 - Employee health & safety and working conditions | Risk | Loss of productivity due to poor working conditions and/or health and safety accidents at work | | x | | | Long-term | Potential |
| SOCIAL | S1 - Equal treatment and opportunities for employees | Negative impact | Contributing to rising discrimination, thereby hindering career development | | x | x | | Long-term | Potential |
| SOCIAL | S1 - Equal treatment and opportunities for employees | Risk | Lack of innovation and creativity due to the absence of diversity within the company | | x | | | Long-term | Potential |
| SOCIAL | S1 - Employee training and development | Positive impact | Better employability in the labour market linked to the transfer of skills | | x | | | Medium-term | Real |
| SOCIAL | S1 - Employee training and development | Opportunity | Competitive advantage linked to the promotion and transmission of craftsmanship and skills development | | x | | | Medium-term | Real |
| SOCIAL | S1 - Data privacy of employees | Risk | Costs related to cybersecurity attacks and data breaches | | x | | | Short-term | Potential |
| SOCIAL | S2 - Health & safety in the value chain | Negative impact | Undermining the moral and financial integrity of employees' private lives | | x | x | | Long-term | Potential |
| SOCIAL | S2 - Health & safety in the value chain | Negative impact | Deterioration in the health and safety of workers in the extraction of other raw materials | x | | | | Medium-term | Real |
| SOCIAL | S2 - Health & safety in the value chain | Risk | Compliance costs | x | | | | Short-term | Potential |
| SOCIAL | S2 - Equal treatment and opportunities in the value chain | Negative impact | Lack of employability due to lack of training | x | | | | Long-term | Potential |
| SOCIAL | S2 - Equal treatment and opportunities in the value chain | Risk | Decline in turnover linked to damage to the company's image and reputation if it becomes involved in scandals following discrimination or wage inequality | x | x | x | | Medium-term | Potential |
| SOCIAL | S2 - Fair labour practices in the value chain | Negative impact | Deterioration in workers' health and safety linked to forced labour and poor living conditions for workers in the value chain (impact on physical and mental health) | x | | | | Medium-term | Potential |
| SOCIAL | S2 - Fair labour practices in the value chain | Negative impact | Forced child labour or poor living conditions for young workers leading to a deterioration in health and safety (impact on physical and mental health) | x | | | | Medium-term | Potential |
| SOCIAL | S2 - Fair labour practices in the value chain | Risk | Compliance costs | x | | | | Medium-term | Potential |
| SOCIAL | S3 - Human rights and community relations | Negative impact | Habitat destruction and forced displacement associated with the establishment of new mining areas | x | | | | Medium-term | Potential |
| SOCIAL | S3 - Human rights and community relations | Negative impact | Decline in community health and quality of life resulting from air, soil, and water pollution, combined with pressures on resource availability. | x | | | | Short-term | Real |
| SOCIAL | S3 - Human rights and community relations | Risk | Disruption of the supply chain due to conflicts between the local community and the mining producer | x | | | | Short-term | Potential |
| SOCIAL | S4 -Transparency on material sourcing | Negative impact | Inability to encourage consumers to make more responsible choices due to a lack of transparency regarding product origin | | | | x | Medium-term | Potential |
| SOCIAL | S4 - Transparency on material sourcing | Risk | Compliance costs associated with regulatory changes and transparency requirements necessitating the use of new ingredients in the composition | | | x | x | Medium-term | Potential |
| SOCIAL | S4 - Consumers health and safety | Negative impact | Harm to consumer health resulting from manufacturing deficiencies | | | | x | Long-term | Potential |
| SOCIAL | S4 - Consumers health and safety | Risk | Decline in turnover linked to damage to the company's image and reputation if scandals have a negative impact on customers' health | | | x | x | Short-term | Potential |
| SOCIAL | S4 - Respect for the diversity of consumers | Negative impact | Harm to the client's moral integrity if they do not feel represented in communication or welcomed during the purchasing process | | | | x | Short-term | Potential |
| SOCIAL | S4 - Respect for the diversity of consumers | Opportunity | Expand the customer base by adopting an inclusive approach that values diversity in communications and customer experience | | | x | x | Short-term | Potential |
| GOVERNANCE | G1 - Animal welfare | Risk | Compliance costs | x | | | | Short-term | Potential |
| GOVERNANCE | G1 - Animal welfare | Opportunity | Innovation towards products incorporating non-animal raw materials | | x | | | Medium-term | Real |
| GOVERNANCE | G1 -Business ethics and supply chain management | Positive impact | Contributing to the sector's positive progress on environmental and social issues | x | | x | | Medium-term | Real |
| GOVERNANCE | G1 - Business ethics and supply chain management | Negative impact | Financial dependence on the supplier | x | x | | | Short-term | Real |
| GOVERNANCE | G1 - Business ethics and supply chain management | Risk | Damage to the company's reputation in the event of controversy over sourcing practices, amplified by the media and NGOs, leading to a decline in turnover | x | x | | | Medium-term | Potential |
| GOVERNANCE | G1 - Business ethics and supply chain management | Opportunity | Innovative capacity linked to long-term relationships | x | | | | Long-term | Potential |
| GOVERNANCE | G1 - Business ethics and supply chain management | Risk | Decline in turnover linked to damage to the company's reputation in the event of criticism from NGOs for breaches of ethical principles (particularly corruption and money laundering) and transparency | | x | | | Medium-term | Potential |

# RESPONSIBLE SOURCING POLICY

## I. INTRODUCTION

*Le petit-fils de L. U. Chopard & Cie SA* (hereafter "**Chopard**"), based in Geneva (Switzerland), a Swiss family-run company and leading manufacturer of luxury watches and jewellery sold worldwide, is committed to a responsible approach to its business activities.

Recognising that risks of significant adverse impacts may be associated with the extraction, trade, handling and export of minerals from conflict-affected and high-risk areas, and acknowledging its responsibility to respect human rights, Chopard has committed to implementing its *Responsible Sourcing Policy* (hereinafter "**Responsible Sourcing Policy**") throughout its supply chains.

The Responsible Sourcing Policy sets forth Chopard's commitments and strategy to avoid contributing to conflict or to any abuses when sourcing minerals from high-risks areas and is addressed to all Chopard stakeholders worldwide.

The Responsible Sourcing Policy is consistent with the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* (hereinafter "**OECD Guidance**") and is applicable to all minerals sourced by Chopard.

## II. CHOPARD'S COMMITMENTS

**RESPONSIBLE SOURCING**

1. Chopard commits to respecting human rights, avoiding contributing to the financing of conflict and complying with all relevant UN resolutions and laws, including sanctions.

2. Chopard will neither tolerate nor profit from, contribute to, assist or facilitate the commission of serious abuses associated with the extraction, transport or trade of minerals from conflict-affected and high-risk areas:
- any forms of torture, cruel, inhuman and degrading treatment;
- any forms of forced or compulsory labour;
- the worst forms of child labour;
- other gross human rights violations and abuses such as widespread violence;
- war crimes, violations of international humanitarian law, crimes against humanity and/or
- genocide.

3. Chopard will not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade, handling or export of minerals, including:
- illegally controlled mine sites or otherwise controlled transportation routes;
- illegally taxed or extorted money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; and/or
- illegally taxed or extorted intermediaries, export companies or international traders.

4. Public or private security forces: Chopard will engage with public or private security forces in accordance with the *Voluntary Principles on Security & Human Rights* (a multi-stakeholder initiative composed of governments, key international non-governmental organizations, and companies). Chopard will not provide direct or indirect support to public or private security forces that commit abuses described in *paragraph 2* of this Responsible Sourcing Policy or that act illegally as described in *paragraph 3*.

5. Bribery and fraudulent misrepresentation of the origin of minerals: Chopard will not offer, promise, give or demand bribes and will resist the solicitation of bribes to conceal or disguise the origin of minerals or to misrepresent taxes, fees and royalties paid to governments for the purposes of extraction, trade, handling, transport and export of minerals.

6. Money laundering: Chopard will support and contribute to efforts to eliminate money laundering where it identifies a reasonable risk resulting from or connected to the extraction, trade, handling, transport or export of minerals derived from the illegal taxation or extortion of minerals at points of access to mine sites, along transportation routes or at points where minerals are traded by upstream suppliers.

**RISK MANAGEMENT STRATEGY**

7. To implement these commitments, Chopard conducts an effective and comprehensive risk-based due diligence process, which includes *Know your Counterparts (KYC)* checks to identify its upstream and downstream partners, as well as all activities recommended by the OECD Guidance, as reflected in the *OECD five-step framework*.

8. As a certified member of the *Responsible Jewellery Council (RJC),* Chopard is audited every 3 years by an independent third-party against the *Responsible Jewellery Council (RJC) Code of Practices (COP)*, notably with respect to its human rights risk due diligence process.

9. Chopard only buys or sells diamonds that are fully compliant with the *Kimberley Process Certification Scheme*, the *World Diamond Council System of Warranties*, and that respect international sanctions.

10. Chopard only buys precious metals from refiners certified against the following international standards:

a. *Responsible Jewellery Council (RJC) Code of Practices (COP)*; and
b. *Responsible Jewellery Council (Chain-of-Custody)*.

11. Chopard commits to using its influence to prevent abuses within its supply chains. The following consequences will apply where Chopard identifies a reasonable risk that a supplier is associated with one or more of the following risks:
- *Serious abuses associated with the extraction, trade and transport of minerals identified in paragraph 2 of this Responsible Sourcing Policy*: Immediate suspension or disengagement.
- *Direct or indirect support to non-state armed groups as described in paragraph 3 of this Responsible Sourcing Policy*: Immediate suspension or disengagement.
- *Direct or indirect support to public or private security forces who illegally control mine sites, transport routes and upstream actors (including illegal taxation)*: Temporary suspension, followed by implementation of measurable mitigative actions and monitoring. Suspension or disengagement if mitigation measures implemented are ineffective within reasonable timescales.
- *Money laundering, bribery and fraudulent misrepresentation of the origin of minerals and non- payment of taxes, fees and royalties to governments*: Temporary suspension, followed by implementation of measurable mitigative actions and monitoring. Suspension or disengagement if mitigation measures implemented are ineffective within reasonable timescales.

**SUPPLIERS' AND STAKEHOLDERS' ENGAGEMENT**

12. The Responsible Sourcing Commitments described in this Responsible Sourcing Policy are reflected in Chopard's Code of Conduct for Suppliers (https://www.chopard.com/intl/code-of-conduct-for-partners), which requires all suppliers, dealers, agents, subcontractors and all business partners in general to adopt similar responsible sourcing practices and to comply with Chopard's own principles and values.

13. Chopard seeks to establish long-term relationships, as appropriate, in accordance with the risk management strategy described in *paragraph 11* of this Responsible Sourcing Policy.
14. Chopard commits to building capacity within its supply chains, including through training and dialogue, and to upholding the continuous improvement of suppliers' due diligence and sourcing practices.

15. Chopard commits to supporting the formalisation, development and promotion of responsible sourcing practices within artisanal and small-scale mining (ASM) communities. Chopard exclusively purchases ASM gold from mines that are part of the *Swiss Better Gold Association* accreditation framework.

16. Chopard has a grievance mechanism, which allows all stakeholders to voice concerns regarding the circumstances of mineral extraction, trade, handling and export associated with potential risks, described in *paragraphs 1-6* of this Responsible Sourcing Policy, and available on Chopard's website under Alert Line.

## III. IMPLEMENTATION AND ENFORCEMENT

*Chopard's Head of Corporate Sustainability*, in close collaboration with the Chopard Purchasing Department, is responsible for implementing the Responsible Sourcing Policy, overseeing due diligence, collecting and investigating grievances, and reporting.

Chopard commits to communicating this Responsible Sourcing Policy to all its suppliers and external stakeholders through its Sustainability Report (appendix). The policy statement is included in its supplier contracts and agreements.

Any questions, comments or complaints related to the above-mentioned topics and risks (Annex II of the OECD Guidance points 2-6) may be addressed (anonymously if necessary) to *Chopard's Head of Corporate Sustainability* at the following address: rue de Veyrot 8, 1217 Meyrin 1, Switzerland, or via email to : sustainability@chopard.ch.

# SUPPLY CHAIN DUE DILIGENCE REPORT

*Our Responsible Sourcing Programme strives to achieve the best sustainability practices in our supply chain. "Know your Supply Chain" is one of our three pillars which includes the due diligence system.*

In an industry with complex supply chains such as the jewellery and watchmaking industry, risk areas need to be screened from the bottom up to identify, prevent, and mitigate any negative human rights and environmental impacts in the supply chains.

For this purpose, we have designed our Supply Chain Due Diligence System in alignment with OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, (hereinafter, 'the OECD Guidance'). We perform supplier due diligence, assess their sustainability performance, and support them in driving continuous improvement toward compliance requirements.

Our five-steps due diligence system is implemented to evaluate our suppliers on a risk-based approach covering the following three main categories of risks:

- **Governance** (*financing conflict, corruption, money laundering*)
- **Human Rights** (*Child & forced labour, Labour conditions, Community Impact, Indigenous rights*)
- **Environment** (*Climate Change, Biodiversity, Water and Pollution*)

In accordance with the implementation of the OECD Guidance, Chopard's policy has evolved to a risk-based approach to responsible sourcing and consequently does not exclude entire countries from its supply chain unless otherwise required by regulations (e.g., embargo, sanctions, trade restrictions). Depending on the risk type and risk level identified we will request the appropriate preventive or corrective measures to our suppliers (e.g. type of certification, label, audits, action plan) and down the supply chain.

Our due diligence system is structured following 5 steps to fully align with the internationally recognized OECD Guidance.

## 1. Strong Management System

This first step ensures that we have an efficient internal organisation, sufficient resources, and up-to-date policies, and procedures to conduct a qualitative supply chain due diligence.

**Policies**
Our Responsible Sourcing Policy is publicly available on Chopard Sustainability website. The Policy is part of the appendix of the commercial agreements signed with our suppliers of precious metals and precious stones.

Within the framework of this system, the Chopard Code of Conduct for Partners places specific responsibilities on all suppliers and sub-suppliers around the world, covering Business Ethics, Human Rights, Labour practices and Environmental protection principles. The Code of Conduct for Partners outlines our expectations regarding responsible business practices from all downstream partners, and we require all our business partners to adhere to this policy in order to work with us.

According to the risk related to the product or material, we request to all of our significant suppliers to be certified or audited against an independent third-party auditor. The certification and/or audit scheme must cover the relevant topics in accordance with the material environmental and social issues of the sector.

We ensure that all stakeholders are able to raise potential concerns about our operations and our supply chain through our grievance mechanism described on our sustainability webpage.

**Internal Organisation**
The system is led by the Head of Corporate Sustainability (HCS) and overseen by the company's Chief Financial Officer (CFO), member of the board. The Head of Corporate Sustainability works hand in hand with internal transversal committees and departments (purchasing department, precious metals department, metals committee, sustainability, fiability laboratory,...) to conduct the supply chain due diligence.

**System of control and transparency**
Since the beginning of 2023, Chopard has designed a tailored-made online supplier platform to manage its due diligence supply chain with regards to compliance, risk assessment (ranking), indicators and dashboards. The compliance package documents are uploaded on the supplier's page and the risk assessment is conducted for each significant supplier on the platform by the sustainability team (evidence, audits reports, link to ESG risk screening tools, articles, etc.). The platform allows us to measure our supply chains' performance against specific indicators tracked on dashboard to continuously improve our system and sourcing strategy.

All documents accompanying the precious goods are scanned and archived on its servers, guaranteeing computerized traceability between the supplier's documents (transfer documents) and its unique receipt numbers.

## 2. Identify and assess risks in the supply chain

A due diligence on governance, human rights, and environmental risks is systematically conducted on the supply chain of the following materials: Precious Metals (Gold, Platinum, Palladium, Silver), Precious stones (Diamonds and Coloured gemstones), Non-Precious Metals (Steel and Titanium), and Leather. Suppliers of products/services based or producing in a country with an "enhanced" and "heightened" diligence response as defined in the UNICEF's Children's Rights in the Workplace Index **(hereafter "UNICEF index)** are also be assessed.

**Supply Chain Mapping**
The essential first step to identify the risks is to map its supply chains to the origin of the raw material. We are mapping annually the above-mentioned materials back to the country of origin and, as far as we can, to the extraction facility (mines or farms).

To collect this information on precious metals and precious stones' supply chains, Chopard engages with its suppliers through, among others, transparency questionnaires, traceability certificates, interviews, and on-site visits from Chopard team. We mandate external auditors to verify the traceability of our precious stones down the chain (diamonds, specific coloured gemstones) to the mine of origin. Regarding our leather strap supply chain, we work in partnership with the Swiss-based international Association of leather bracelets manufacturers for the Watch Industry (AQC) that coordinates Chopard' supply chain mapping with our bracelets suppliers.

**Risk Assessment**
The risk assessment process is conducted on the risk category mentioned in the introduction: Governance, Human Rights and Environment.

For each category, we use specialised tools for risk category, among others:
Governance: our KYC forms, and other screening tools on PEP for instance.
Human Rights : European Union CAHRA map ; international sanctions (UE / UK/ US); NGO reports or media articles; MVO Human Rights https://www.mvorisicochecker.nl/en/start-check
Environment & Biodiversity: Carbon footprint, LCA analysis, Sustainability reports; Integrated Biodiversity Assessment Tool (IBAT); WWF Global Deforestation Fronts; WWF Water Risk Filter ; Animal welfare LWG risk map.

To ensure compliance regarding sanctioned entities and individuals, Chopard closely monitors the international sanctions published by governments and international organisations such as the Council of the EU; Switzerland – State Secretariat for Economic Affairs (SECO); US – OFAC; UK – HM Treasury; United Nations Security Sanctions.

With regards to our gold supply chain, we annually assess and record the Supply Chain Due Diligence Reports of all the refiners we are working with.

When conducting the risk assessment, some red flags can be identified (e.g. suppliers located in Conflict-Affected and High-Risk Areas (CAHRA), a region/material is under international sanctions, etc.). Red flags do not necessarily mean that the risk is confirmed, however, it requires to conduct an enhanced due diligence, which can consist in: in-depth discussions with the supplier (e.g. refiners), additional evidence proving the risk is prevented or mitigated (field reports, KYC, etc.), verification of the due diligence system conducted by the tier-1 in its supply chain through on-the-ground assessments (independent auditors on-site, Chopard team on-site visits, etc.), etc.

## 3. Design and implement a strategy to respond to identified risks

Should potential risks be confirmed through further scheduled enhanced risk assessment activities, a Risk Management Plan will be designed and implemented in collaboration with the supplier and affected stakeholders, where appropriate. All findings of the supply chain risk assessment are communicated to the board.

The Risk Management Plan will refer to the Responsible Sourcing Policy (clause 11.) and to the OECD Guidance. The actions will be considered depending on the type and severity of risk identified, they will be closely monitored,and re-evaluated after six months.

In case of international sanctions against a specific origin and material like Russian diamonds (e.g. G7 sanctions against Russian diamonds), we ceased the purchase of stones from this origin in February 2021. We communicated the requirements officially to our suppliers followed by visits on-site from our team and a traceability audit by an external auditor to ensure our sourcing is aligned with the sanctions.

## 4. Carry out independent third-party audit of supply chain due diligence at identified points in the supply chain

Chopard's supply chain due diligence system was subject to an independent third-party audit during the RJC recertification process in January 2022. The auditor did not observe any non-conformances related to Chopard's five-step supply chain due diligence system (RJC COP7). The last independent audit of our supply chain due diligence system took place in January 2025, without any non-conformity. The next audit is planned in January 2028.

## 5. Report annually on supply chain due diligence

This Supply Chain Due Diligence Report fulfills the reporting expectations of the OECD Guidance and is integrated in Chopard's annual Sustainability Report.

# SUPPLY CHAIN REGULATIONS AND COMPLIANCE

## REPORT ON DUE DILIGENCE AND REPORTING OBLIGATIONS IN RELATION TO MINERALS AND METALS FROM CONFLICT-AFFECTED AREAS AND CHILD LABOR

Since 2023, even though legally exempt from the obligations arising from Articles 964 j-l of the Swiss Code of Obligations (hereinafter "CO") and the Ordinance on Due Diligence and Transparency in relation to minerals and metals from conflict-affected and high-risk areas and child labor (hereinafter the "Ordinance") of 3 December 2021, Chopard respects the legal requirements as prescribed by said articles and Ordinance.

This report aims to detail Chopard's conformity with Article 964j-l CO and the Ordinance: regarding minerals and metals and child labor.

### 1. Due Diligence and Reporting Obligations in relation to Minerals and Metals

Chopard has implemented rigorous processes to ensure traceability and risk management in its supply chain, in accordance with the OECD Due Diligence Guidance. Chopard's commitment is based on a double objective:
— strengthening the transparency and traceability of its supplies, and
— ensuring respect for human rights, particularly by ensuring that its activities do not finance armed conflicts or contribute to serious violations of international law.

**i. Responsible Sourcing Policy**
Chopard has implemented a strict internal responsible sourcing policy, aligned with the principles set out in the OECD Guidance. This policy imposes the following obligations on all direct and indirect suppliers:
— declaration of the origin of the minerals and metals supplied, and
— contractual commitment to the traceability of raw materials.

**ii. Risk Assessment Mechanism**
Chopard conducts an annual in-depth risk assessment of its supply chain, based on a methodology consistent with the OECD Guidelines. This assessment is based on a comprehensive analysis of the following elements:
— the geographical location of suppliers,
— verification of documents related to the traceability chain of minerals and metals,
— audit of the risk management processes implemented by suppliers.

This assessment allows the identification of potential risk areas and the implementation of necessary corrective measures.

**iii. Corrective Actions and Mitigation Measures**
In the event that a risk related to human rights or conflict financing is detected in its supply chain, Chopard adopts immediate corrective measures. These measures include:
— suspension of business relations with non-compliant suppliers,
— implementation of a corrective action plan, in collaboration with the suppliers concerned, aimed at strengthening transparency and compliance with international standards.

**iv. External Verification, Certification, and Reporting**
In accordance with the OECD Guidance, Chopard submits its processes to independent verification. As part of the 2022 certification (RJC COP 7 OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas), an independent auditor confirmed that Chopard fully complies with international due diligence requirements.

Furthermore, the results of these verifications are systematically integrated into Chopard's continuous risk management improvement process.

Additionally, in accordance with Article 9 para. 3 of the Ordinance, Chopard includes its conclusions on compliance with Articles 964 j-l CO and the Ordinance in its "Sustainability Report" published annually on Chopard's website.

### 2. Due Diligence and Reporting Obligations in relation to Child Labor

Chopard conducted an evaluation of its entire supply chain to identify and prevent any risk of child labor. After analyzing the risks associated with its operations, it was concluded that Chopard is not subject to due diligence and reporting obligations regarding child labor for the following reasons:
— Location of Activities: Chopard's headquarters and production sites are located in Switzerland and Germany, two states that have fully ratified the main conventions of the International Labour Organization (hereafter "ILO"), namely Convention No. 138 on the minimum age and Convention No. 182 on the worst forms of child labor and which apply the United Nations Guiding Principles on Business and Human Rights (hereafter the "United Nations Guiding Principles"). These states have strict national legislation in line with international standards for combating child labor.
— Subcontracting and Suppliers: When Chopard uses subcontracting, it is carried out only in countries that have ratified the ILO conventions and respect the United Nations Guiding Principles, thus ensuring strong protection against any form of child labor. Chopard systematically conducts due diligence on its business partners and suppliers to ensure compliance with these conventions.
— Supply Chain Analysis: Chopard conducted a thorough evaluation of its supply chains, which revealed no indicators or suspicions of child labor. Contractual relationships with its suppliers include explicit clauses prohibiting child labor, and these suppliers are based in jurisdictions that have ratified the ILO conventions, respect the United Nations Guiding Principles and are subject to strict labor law regimes.

Thus, there is no evident use or proven risk of child labor in the supply chain.

In conclusion, Chopard fully complies with legal requirements for combating child labor, and its commitment to responsible practices is reflected in effective preventive measures within its supply chains.

### 3. Conclusion

Chopard commits to maintaining the highest standards of due diligence and transparency. By adhering to OECD standards and other international regulations, Chopard reaffirms its responsibility to an ethical and responsible supply chain and to respecting human rights throughout its value chain. Chopard will continue its efforts to ensure ongoing compliance with these standards and remains determined to strengthen its practices in human rights, environmental protection, and good governance.
This Report on due diligence and reporting obligations in relation to minerals and metals from conflict-affected areas and child labor fulfills the reporting expectations of Article 964j-l CO and the Ordinance.

## DIAMOND SOURCING

In 2025, Switzerland, the EU, and the other G7 countries continued to reinforce the sanctions framework targeting diamonds originating from, processed in, or transiting through Russia. The measures adopted in 2024 remained fully applicable, and were supplemented by new obligations introduced through the EU's 16th sanctions package and the G7 traceability framework. As of March 1st, 2025, additional documentary requirements entered into force for rough diamonds of mixed origin, including the obligation to present a Kimberley Process Certificate identifying all countries of origin in the shipment, as clarified by the Antwerp World Diamond Centre's guidance. In addition, for imports into the European Union, rough diamonds falling within the scope of the sanctions must either be routed through the EU-designated verification node in Antwerp or be accompanied by a valid G7 certificate or equivalent documentary evidence clearly identifying the country of mining origin.

**Chopard's Compliance Measures**
In 2025, Chopard continued to align its sourcing practices with international requirements by enforcing strict traceability, origin verification, and supplier declarations for all diamonds. Internal procedures, contracts, and customs processes have been updated accordingly, and all boutiques and subsidiaries follow harmonized protocols. In particular, Chopard has implemented a dedicated internal process requiring the systematic collection, without exception, of origin attestations from its diamond suppliers and the issuance of corresponding attestations by Chopard. This process applies to the shipment of polished diamonds of 0.5 carat or more, as well as to jewellery and other products incorporating such diamonds. It is designed to ensure the documented verification of the non-Russian origin of diamonds in line with applicable EU, Swiss and G7 sanctions requirements.

**Conclusion**
Chopard reaffirms its commitment to ethical sourcing and full compliance with international sanctions and regulatory frameworks applicable to diamonds. The Group continues to closely monitor legal and regulatory developments and to adapt its internal procedures accordingly.
By strengthening traceability requirements, formalising the systematic collection of supplier origin attestations and the issuance of corresponding attestations by Chopard, and ensuring consistent application across its operations, Chopard maintains a transparent, controlled and ethically responsible supply chain fully aligned with international standards.

## EU DEFORESTATION REGULATION

The European Union adopted the EU Deforestation Regulation (EUDR) as part of the Green Deal aiming at reducing the EU's contribution to global deforestation. The regulation establishes strict requirements governing the placing on or making available of certain products, including cattle, cocoa, coffee, palm oil, rubber, soya and wood, and related products on the EU market. Said products and related products placed on the EU market must be deforestation-free, legally produced, and supported by due-diligence documentation. Following amendments adopted in late 2025, the regulation will apply as of December 30th, 2026, for medium and large operators, with a later date for micro and small operators.

## IMPACT FOR CHOPARD AND PREPARATORY MEASURES

As certain Chopard products fall within the scope of the EUDR, Chopard is conducting a targeted exposure assessment, engaging the relevant suppliers, and updating internal procedures to ensure full readiness ahead of the regulation's applicability date. In doing so, Chopard lays the groundwork for robust compliance and responsible sourcing under the forthcoming EU framework.

Chopard

# SUSTAINABLE KEY PERFORMANCE INDICATORS (KPIS)

| PILLARS | TOPICS | INDICATORS | KEYS FIGURES 2023 | KEYS FIGURES 2024 | KEYS FIGURES 2025 | ESRS |
|---|---|---|---|---|---|---|
| RETHINKING OUR PRODUCTS | RESPONSIBLE SOURCING | ■ Significant suppliers certified, or in the process of being certified by an internationally recognised sustainability scheme (%)<br>■ Lucent Steel™ recycled rate from facilities within 1,000 km of our Swiss manufacture and contained in all our steel watches, including bracelets and cases (%)<br>■ Proportion of RJC-certified diamond suppliers in our supply chain (%)<br>■ Proportion of RJC-certified coloured stone suppliers in our supply chain (%)<br>■ Proportion of our loose diamond suppliers audited by a third-party firm for traceability (%)<br>■ Proportion of declared bovine origins farms from Europe (%)<br>■ Proportion of LWG-certified tanneries and cattle leather tanning stages in Chopard's supply chain (%)<br>■ Proportion of alligator farms certified against animal welfare standards (e.g. ICFA) (%)<br>■ Proportion of artisanal and small-scale mined (ASM) gold purchased at a premium, relative to overall gold procurement (%) | › 52%<br>› 80%<br>› 87%<br>› 46%<br><br>› 81%<br>› 86%<br>› 100%<br>› 64% | › 57%<br>› 80%<br>› 94%<br>› 52%<br><br>› 74%<br>› 76%<br>› 100%<br>› 100% | › 72%<br>› 80%<br>› 94%<br>› 76%<br>› 100%<br>› 82%<br>› 88%<br>› 100%<br>› 84% | ESRS E2<br>ESRS E3<br>ESRS E4<br>ESRS E5<br>ESRS S3<br>ESRS G1 |
| | CARBON FOOTPRINT | ■ Total $CO_2$ emissions - GHG protocol ($tCO_2e$)<br>■ Scope 2: proportion of the electricity purchased by the company coming from renewable sources (%)<br>■ Proportion of relevant suppliers that have set science-based targets (i.e. SBTi) (%) | › 22,100 $tCO_2e$<br>› 89%<br>› 8% | › 21,600 $tCO_2e$<br>› 84%<br>› 23% | › 19,365 $tCO_2e$<br>› 80%<br>› 25% | ESRS E1 |
| | ENERGY CONSUMPTION | ■ Annual consumption of renewable electricity (mWh)<br>■ Scope 2: Total quantity of electricity purchased (mWh) | › 10,200.91 mWh<br>› 11,440.28 mWh | › 9,503.71 mWh<br>› 11,333.92 mWh | › 8,953 mWh<br>› 11,306 mWh | ESRS E1 |
| ENGAGING OUR COMMUNITIES | HUMAN RIGHTS & COMMUNITY | ■ Number of direct beneficiaries from local communities | › 3,029 | › 2,650 | › 4,985 | ESRS S2<br>ESRS S1 |
| | | ■ Health and safety in the value chain | › 100% | › 100% | › 100% | |
| | TRAINING AND SKILLS DEVELOPMENT | ■ Number of apprentices trained | › +40 | › +40 | › +45 | ESRS S1 |
| | DIVERSITY, EQUALITY & INCLUSION | ■ Number of female employees<br>■ Number of male employees<br>■ Number of women in the first decision-making body<br>■ Number of men in the first decision-making body<br>■ Proportion of women in executive bodies (%)<br>■ Proportion of employees by age group < 30 / < 30-50 / > 50 (%) | › 971<br>› 1,059<br>› 14<br>› 26<br>› 35%<br>› 9% / 57% / 34% | › 930<br>› 1,026<br>› 15<br>› 24<br>› 39%<br>› 9% / 60% / 31% | › 947<br>› 991<br>› 15<br>› 24<br>› 29%<br>› 8% / 58% / 34% | ESRS S1 |
| ACTING COLLECTIVELY | PARTNERSHIPS | ■ Fine gold sourced from accredited artisanal mines through the Swiss Better Gold partnership | › 64% | › 100% | › 84% | ESRS E1 |
| | WORKING WITH THE INDUSTRY | ■ Steel from steelmakers who have set both near-term and long-term science-based emissions reduction targets in alignment with the Climate Group's SteelZero | | › 61% | › 34% | ESRS S3<br>ESRS G1 |

CONTACT: SUSTAINABILITY@CHOPARD.CH

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