ROLEX

IMPACT AND SUSTAINABILITY

SUSTAINABILITY REPORT 2023

ROLEX

Our mission as a responsible company:

To put our high quality standards, sense of innovation and values of excellence at the heart of our sustainability commitments

by integrating this mission into
our company's decisions and actions;

by ensuring that social and environmental
responsibility is incorporated into our practices
throughout our value chain;

by continually innovating to reduce the impact
of our business;

by continuing to design and manufacture watches
of exceptional quality that stand the test of time.

Supporting sustainability through excellence

Since its creation, Rolex has been driven by a passion: to design and manufacture watches that stand the test of time. The quest for quality and excellence – the foundation of our philosophy – has always required us to operate in a responsible and sustainable way.

For this reason, we have chosen to maintain an independent and integrated business model, as it gives us control over our production chain. However, these principles do not waive the need for us to question the impact of our business.

For we also use rare raw materials to create exceptional watches. Our value chain is complex and involves many stakeholders. In one way or another, our company has an impact on communities around the world and on the environment. Our priority is to identify and control this impact by dedicating financial and human resources to it that are commensurate with our vision of excellence.

This first public report is an important step in communicating our approach to sustainability. We have structured it around our priority topics and in it you will find an overview of our actions, together with a number of performance indicators that will enable us to report on our progress in the years to come. Beyond providing an assessment, this exercise is above all an opportunity to describe the commitments that unite us in a spirit of transparency. Our approach to this report is thus based on the principle that guides us in our day-to-day work: continuous improvement.

This year, we have achieved some major milestones. Our sustainability strategy has been formalized and we are currently finalizing the targets that we wish to achieve in the coming years. Sustainability, which has always guided our processes and actions, is now gaining visibility and mobilizing the entire company.

All future Rolex initiatives will be inspired by the core values instilled in our corporate culture by our founder, Hans Wilsdorf. We will continue to pass these values on through the brand's long-term commitments to the arts, sport and exploration, as well as sharing them with those working to preserve the planet. Among these values, we believe that quality and the constant pursuit of excellence are the best guarantees that we can give in terms of sustainability, because they are what drive us to constantly improve our social and environmental impact.

Rolex is committed to harnessing the necessary resources to achieve this goal and looks forward to working with all its partners to ensure that responsible and sustainable practices are at the heart of its commitments in all areas.

JEAN-FRÉDÉRIC DUFOUR
Chief Executive Officer, Rolex SA

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MONDAY
ROLEX
OYSTER PERPETUAL
DAY-DATE
28
SUPERLATIVE CHRONOMETER
OFFICIALLY CERTIFIED
SWISS MADE

About Rolex

Rolex is an integrated and independent Swiss watch manufacturer that produces watches designed to last. Established in Geneva, the brand is renowned the world over for its expertise and the quality of its products.

A HERITAGE BUILT ON STRONG VALUES

Founded in 1905 by Hans Wilsdorf (1881–1960), Rolex owes its success and international renown to the entrepreneurial spirit and strong values passed on by its founder: a relentless quest for quality, a spirit of innovation and the pursuit of excellence.

To this day, Hans Wilsdorf's personality and work continue to inspire Rolex and its corporate culture. The lasting impact of this visionary entrepreneur can be seen in the aesthetics and fundamental characteristics of a product that has remained true to its roots, and in Rolex's ability to draw on its heritage to look towards new horizons. Its many watchmaking innovations bear witness to this, including the Oyster, the first waterproof wristwatch launched in 1926, and the self-winding Perpetual rotor mechanism patented in 1931.

A BUSINESS MODEL BASED ON INTEGRATED EXPERTISE

Today, the Rolex brand is globally renowned for its expertise and the quality of its products, the essential components of which are designed in-house according to a vertical production model: from casting the gold alloys to assembling the elements of the movement, from the case, dial and bracelet to machining and finishing. This level of expertise and control gives Rolex an exceptional industrial base, where designers, engineers, watchmakers and other specialists work closely together at every stage in the manufacture of its watches.

UNDER THE AEGIS OF A SINGLE SHAREHOLDER: THE HANS WILSDORF FOUNDATION

Rolex is owned by the foundation created by Hans Wilsdorf in 1945.

In line with its founder's values, the company can thus continue to develop independently.

Key figures

CHF **6.4** BILLION

2007–2027 INVESTMENTS IN CAPITAL GOODS, PRODUCTION MACHINERY AND BUILDINGS AT THE GENEVA AND BIENNE SITES

150

NUMBER OF INTERNAL SUSTAINABILITY PROJECTS

15,548

EMPLOYEES WORLDWIDE (80% OF WHOM ARE BASED IN SWITZERLAND)[1]

1,900

PEOPLE QUALIFIED TO PROVIDE AFTER-SALES SERVICE WORLDWIDE

34

INTERNAL SERVICE CENTRES
(Geneva and affiliates)

815

EXTERNAL SERVICE CENTRES

1,470

POINTS OF SALE WORLDWIDE

19

DISTRIBUTION AFFILIATES

113

COUNTRIES IN WHICH THE BRAND IS PRESENT

35 YEARS

AVAILABILITY OF SPARE PARTS FOR AFTER-SALES SERVICE
Following this period, the brand manufactures specific replacement parts, as required.

[1] This figure represents the consolidated entities of the Rolex group at 31/12/2023.

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Rolex worldwide

Rolex is renowned the world over for its expertise and the quality of its products. Its watches, all Superlative Chronometer certified for their precision, performance and reliability, have become symbols of excellence, elegance and prestige. To maintain this high level of quality and provide its customers with locally available services, Rolex is present in over 100 countries.

The brand has 19 affiliates, a vast network of Official Retailers and almost 850 service centres. These centres are mainly watchmaking workshops set up at the brand's Official Retailers or within its regional affiliates. They guarantee the quality, authenticity and servicing of Rolex watches. The company distributes, sells and services its watches in accordance with its strict quality standards.

ROLEX MELBOURNE, AUSTRALIA

Administrative and production sites in Switzerland

Rolex's world headquarters, based in the Acacias district of Geneva, house all the company's managerial, administrative and communication activities, as well as those related to the final assembly, control and sale of its watches. It is also where the Rolex Global Servicing Department, responsible for after-sales service, is located together with the Research and Development and Design Teams. The laboratories in which all the finished watches are tested before being sent around the world are also located in the Acacias district.

The Plan-les-Ouates site hosts all development and manufacturing activities for Rolex watch cases and bracelets, from shaping and machining the raw materials to creating the finishes on the final parts.

The Chêne-Bourg site brings together all the dial development and manufacturing activities. It also houses Rolex's gemmology laboratory, its gem-setting workshops and the manufacture of its ceramic bezel inserts.

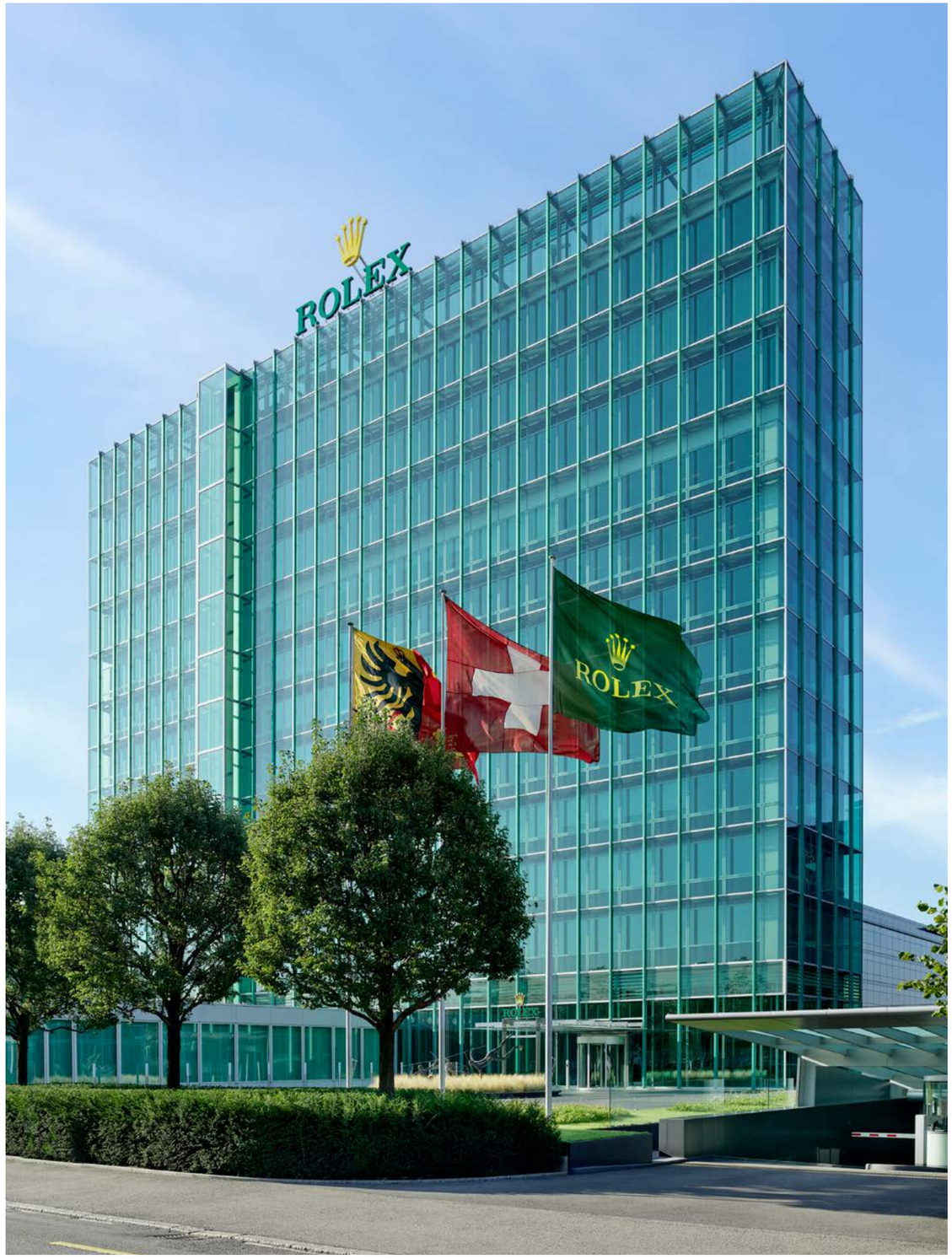
Manufacture des Montres Rolex SA, located in Bienne, is entirely devoted to manufacturing the brand's movements. The components – from 200 to almost 400 for the most complex calibres – are manufactured there with the utmost precision.

These four sites offer Rolex an industrial base that allows it to give full scope to its capacity for innovation and creation. In 2022, the brand also acquired a 100,000 m^2 plot in Bulle, in the canton of Fribourg, to build a new industrial site in Switzerland that meets high sustainability criteria. This unit will guarantee the defined production volumes of Rolex watches according to its exclusive quality standards.

CHÊNE-BOURG

PLAN-LES-OUATES

BIENNE



ACACIAS

Value chain

In the context of its business activities, Rolex takes its social and environmental impacts into account throughout its value chain, from raw-material extraction to after-sales service. To this end, the brand has drawn up internal policies and developed tools that enable it to continuously enhance its responsible business conduct.

SUPPLY OF RAW MATERIALS

Rolex maps and traces the origins of the raw materials it uses in its products to ensure an ethical supply chain that reflects its values and complies with legal requirements.

DESIGN / RESEARCH AND DEVELOPMENT

Created to last, Rolex products are increasingly incorporating sustainability criteria on a systematic basis, from their design phase right through to the end of their life cycle.

MANUFACTURE

Whether in terms of production processes or the use of its industrial facilities, Rolex incorporates sustainable development principles.

LOGISTICS AND DISTRIBUTION

The packaging, transport, shipping and other solutions put in place to transport goods, distribute products or roll out services are designed to reduce the brand's CO_2 emissions.

CUSTOMER SERVICE / AFTER-SALES SERVICE

Recognized for its standards of excellence and the quality of its products, Rolex prides itself on offering guarantees and a local service to its customers, wherever they are in the world.

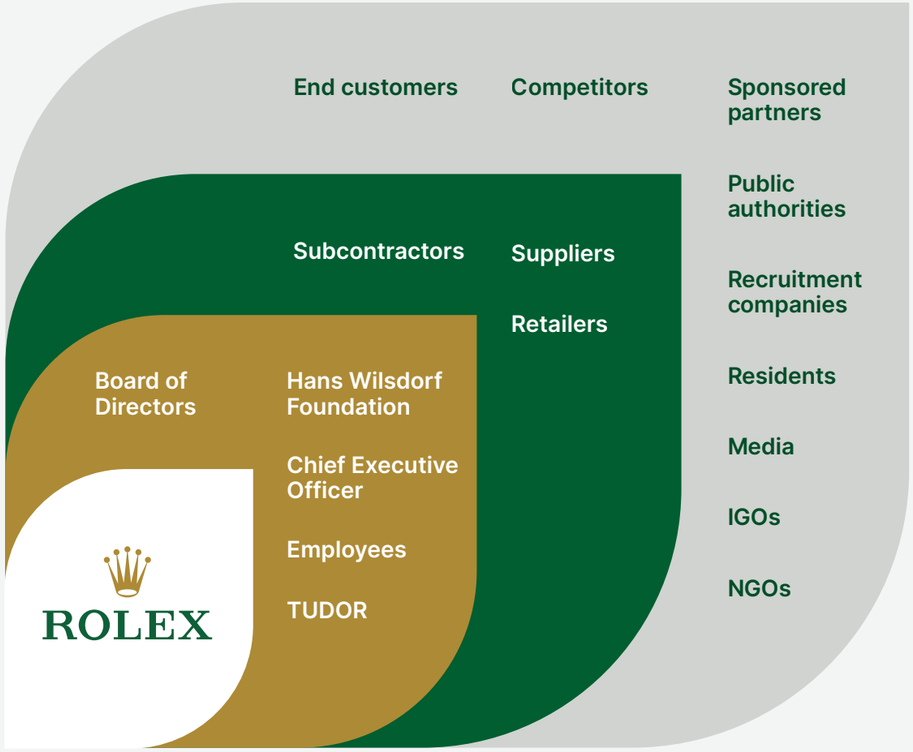
SUSTAINABILITY AT ROLEX

Stakeholder involvement

Stakeholder dialogue is one of the cornerstones of creating a sustainable business. It makes it possible to measure their expectations regarding business conduct, better understand the impact of the company's activities, identify areas for improvement and direct its actions accordingly. Rolex believes that stakeholder input is essential for developing a relevant and robust sustainability strategy.

Rolex regularly interacts with its stakeholders in a variety of contexts and environments. First and foremost, the brand involves its employees when developing its industrial and commercial practices. It also works with its partners, suppliers, service providers and affiliates to improve its processes and define requirements that are beneficial to society and the environment.

Rolex's main stakeholders



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Materiality analysis

Rolex conducted its first materiality analysis in 2023. This consultative process enabled the brand to identify and prioritize its sustainability topics, based on the expectations of its stakeholders and taking its most significant impacts on the economy, the environment and society into account.

This first materiality analysis was led by Rolex's Impact and Sustainability Department with the support of an external partner and, internally, the Sustainability Steering Committee.

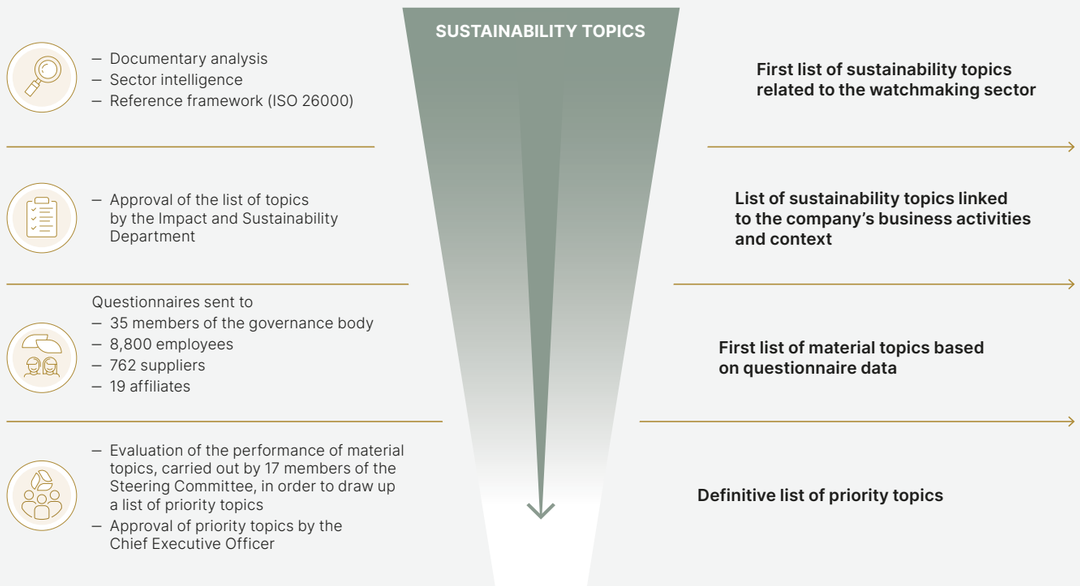
IDENTIFICATION OF MATERIAL TOPICS

In order to identify its material topics, an initial list of topics – wide-ranging and relating to the company's business activities and context – was drawn up on the basis of sector intelligence, internal interviews, various impact studies commissioned by the Impact and Sustainability Department, and several recognized reference frameworks, such as the ISO 26000 standard and the United Nations Sustainable Development Goals (SDGs).

Rolex sent an online questionnaire to some of its stakeholders to request their feedback on this initial selection of sustainability topics, which in turn made it possible to collect data to build an initial materiality matrix. The Sustainability Steering Committee carried out an internal assessment of the matrix in terms of the company's performance and prioritized a list of material topics. This list was then discussed by managers and approved by the Sustainability Strategy Committee, which reports to the Chief Executive Officer.

The results of this exercise will help to refine Rolex's sustainability strategy and reinforce the company's action in this area, as each material topic will be the subject of commitments and quantified targets with performance indicators within this framework.

Methodology used



Rolex's priority topics organized by strategic pillar

Priorities for improvement | To be improved | To be consolidated

GOVERNANCE

- Transparency
- Governance, ethics and compliance
- Fair competition
- Data protection and cybersecurity

SUPPLY CHAIN

- Respect for human rights throughout the supply chain
- Responsible procurement and purchasing
- Traceability of precious stones
- Traceability of raw materials

SUSTAINABLE PRODUCTS

- Innovation for sustainability
- Eco-design
- Circular economy
- Customer satisfaction

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Priorities for improvement | To be improved | To be consolidated

THE ENVIRONMENT

- Water management
- Climate change
- Biodiversity protection
- Air pollution
- Energy efficiency

RESPONSIBLE EMPLOYER

- Diversity, equity and inclusion
- Company's attractiveness and talent retention
- Employee health, safety and well-being
- Employee satisfaction and engagement
- Training and skills development

A COMMITTED COMPANY

- Expertise
- Partnerships and initiatives related to sustainability

Contributing to the United Nations Sustainable Development Goals (SDGs)

Rolex's commitments regarding its material topics are a concrete response to the United Nations SDGs. Divided between the brand's six key strategic areas, these material topics are summarized in the following table, along with the corresponding SDGs.

PRIORITY TOPICS	KEY STRATEGIC AREAS	SUSTAINABLE DEVELOPMENT GOALS
Transparency	GOVERNANCE	
Governance, ethics and compliance	GOVERNANCE	
Fair competition	GOVERNANCE	
Data protection and cybersecurity	GOVERNANCE	
Observance of human rights throughout the supply chain	SUPPLY CHAIN	
Responsible procurement and purchasing	SUPPLY CHAIN	
Traceability of precious stones	SUPPLY CHAIN	
Traceability of raw materials	SUPPLY CHAIN	
Innovation for sustainability	SUSTAINABLE PRODUCTS	
Eco-design	SUSTAINABLE PRODUCTS	
Circular economy	SUSTAINABLE PRODUCTS	
Customer satisfaction	SUSTAINABLE PRODUCTS	
Water management	THE ENVIRONMENT	
Climate change	THE ENVIRONMENT	
Biodiversity protection	THE ENVIRONMENT	
Air pollution	THE ENVIRONMENT	
Energy efficiency	THE ENVIRONMENT	
Diversity, equity and inclusion	RESPONSIBLE EMPLOYER	
Company's attractiveness and talent retention	RESPONSIBLE EMPLOYER	
Employee health, safety and well-being	RESPONSIBLE EMPLOYER	
Employee satisfaction and engagement	RESPONSIBLE EMPLOYER	
Training and skills development	RESPONSIBLE EMPLOYER	
Expertise	A COMMITTED COMPANY	
Partnerships and initiatives linked to sustainability	A COMMITTED COMPANY	

Achievements in 2023

Since the creation of a Sustainability Strategy Committee in 2020 and the Impact and Sustainability Department, Rolex has strengthened its commitments to sustainable development each year, with notable achievements in 2023.

GOVERNANCE

Creation of a **Sustainability Advisory Council**

—

Introduction of a **Sustainability Operations Committee** within each division

—

Creation of an **Ethics and Compliance Committee**

—

Formalization of a **Code of Conduct** (to be rolled out in 2024)

—

Completion of the first **materiality analysis** with a selection of internal and external stakeholders

—

Launch of an **internal communications plan** dedicated to sustainability

—

Introduction of a **Sustainable Development section on the rolex.com website**

SUPPLY CHAIN

Formalization of the **Responsible Purchasing Policy** (to be rolled out in 2024)

—

Provision of an **alert system** to process reports of child labour and minerals and metals from conflict-affected areas (scope extended in 2024 to include human rights and fundamental freedoms, environmental protection and good governance)

SUSTAINABLE PRODUCTS

Introduction of the **'Life cycle analysis' approach**

—

Launch of eco-design projects to create an **eco-friendly presentation box** (available in 2024)

—

Participation in a sustainable **open innovation competition** focused on electroplating

RESPONSIBLE EMPLOYER

Development of a **sustainability training plan** for the entire company (to be rolled out in 2024)

—

Awareness raising among senior executives and managers about the 'Climate Fresk' project

—

Rise in the number of trainees between 2022 and 2023: from 106 to 147

THE ENVIRONMENT

Completion of the **third carbon footprint** analysis

—

Formalization of **targets to reduce greenhouse gas emissions by 2030 and submission to the Science-Based Targets initiative** (approval of targets in 2024)

—

Development of **projects dedicated to sustainable packaging**

A COMMITTED COMPANY

23% **increase in the number of apprentices** between 2022 and 2023 (from 198 to 244)

—

11% **increase in the number of apprenticeship programmes** between 2022 and 2023 (from 18 to 20)

—

Restoration of coral reefs through the 'Coral Gardeners' initiative, with 100,000 corals replanted in French Polynesia and Fiji

—

Rolex Awards for Enterprise: a quadriplegic patient regained control of his legs by using his mind to activate the brain-spinal cord interface developed by Grégoire Courtine and his team

—

Celebration of **20 years of the Rolex Mentor and Protégé Arts Initiative** with the organization of the Rolex Arts Festival in Athens, Greece

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Our strategic commitments

GOVERNANCE

- Support changes in the way that the company operates to improve transparency.
- Integrate sustainability criteria into corporate governance.
- Allocate the resources needed to fulfil the commitments made and achieve the targets set.

SUPPLY CHAIN

- Prioritize the brand's actions in countries at risk in terms of human rights.
  - Carry out independent audits.
- Map supply chains and develop traceability systems according to the level of risk identified.
  - Deploy digital traceability for diamonds and precious metals.
- Guarantee geographical origins in line with Rolex's CSR criteria.
  - Give precedence to 'direct purchasing' flows.
- Extend the due diligence system to all CSR risks.
  - Roll out the approach to suppliers and then to the entire supply chain (suppliers of Rolex suppliers).

SUSTAINABLE PRODUCTS

- Limit the environmental impact of products and manufacturing processes throughout their life cycle by incorporating eco-design criteria.
  - Train 100% of creators, designers and industrialization managers in eco-design.
- Promote innovation for sustainability throughout the value chain.
  - Launch a cross-disciplinary Rolex platform.
- Ensure the company systematically engages with the circular economy.
  - Systematize direct distribution.
  - Reduce the quantities of raw materials used.

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THE ENVIRONMENT

- Prioritize the analysis of the environmental impacts arising from raw-material extraction.
- Implement company-wide initiatives to achieve the SBTi targets:
  - Reduce absolute emissions of scopes 1 and 2 by 42% by 2030 (vs 2021)
  - Reduce absolute emissions of scope 3 by 25% by 2030 (vs 2021)
- Reduce the consumption and emissions associated with the brand's industrial and commercial activities.
- Offset the residual impact of Rolex's activities by supporting high-quality projects.

RESPONSIBLE EMPLOYER

- Integrate expected skills by promoting equal access to all forms of diversity.
- Reinforce the company's excellence as an employer, making every Rolex applicant and employee a brand ambassador.
- Promote internal mobility and succession management.

OUR SUSTAINABILITY ACTIONS

GOVERNANCE

GOVERNANCE

Rolex's industrial and commercial activities are underpinned by rigorous business ethics and effective governance.
In concrete terms, this means introducing an organization and tools to guarantee, among other things, compliance with its due diligence and transparency obligations with regard to the law and to its stakeholders.

OUR STRATEGIC COMMMITMENTS

Support changes in the way that the company operates to improve transparency.

Integrate sustainability criteria into corporate governance.

Allocate the resources needed to fulfil the commitments made and achieve the targets set.

SUSTAINABILITY GOVERNANCE

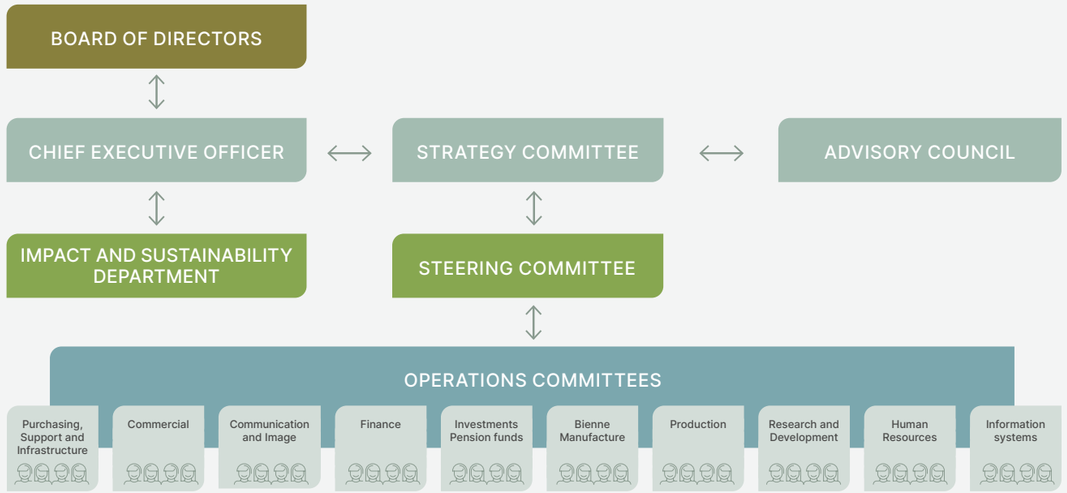
Structuring the approach and commitments

In 2020, Rolex launched an 'Impact and Sustainability' initiative to formalize its commitment to social and environmental responsibility. The aim was to develop and implement a sustainability strategy. This initiative has helped to define its approach and strengthen its governance. Supported at the highest levels of the company, sustainability is now integrated across the board to ensure the transparent management of business activities in response to the challenges of sustainable development, both in terms of ethics and integrity, and compliance with standards, laws and regulations.

ORGANIZATION

Rolex has organized itself at every level to meet the challenges of sustainable development, from decision-making bodies to operational departments. In this context, the company has also set up an Impact and Sustainability Department along with dedicated committees to steer the company's sustainability strategy and activities. The Chief Executive Officer, Jean-Frédéric Dufour, champions and embodies the brand's sustainability vision among management and members of the Board of Directors.

Sustainability governance



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RESPONSIBILITIES

Board of Directors
Composed of seven independent members, the Board of Directors approves the strategy of Rolex SA and ensures its implementation.

Chief Executive Officer
The management of the company's business affairs is delegated to the Chief Executive Officer, who reports on his management to the Board of Directors, particularly with regard to sustainability.

Sustainability Strategy Committee
Created in 2020 by the Chief Executive Officer, the aim of the Sustainability Strategy Committee is to approve and lead Rolex's sustainability strategy. Led by the Head of Sustainability and the Chief Executive Officer, the seven-member committee meets on a quarterly basis.

Sustainability Advisory Council
Made up of experts from outside the company, the Sustainability Advisory Council was set up to advise Rolex on sustainable development challenges affecting the watchmaking sector, such as the traceability of raw materials, human rights and all environmental topics (including climate change, biodiversity and water management).

Impact and Sustainability Department
Reporting to the Chief Executive Officer, the Impact and Sustainability Department is tasked with coordinating the company's sustainability strategy and supporting its rollout, both in Switzerland and abroad, ensuring dialogue with internal and external stakeholders and driving change within the company. It is also responsible for measuring and improving Rolex's actions in non-financial fields.

Sustainability Steering Committee
Comprising one or more representatives from each division of Rolex SA and from Manufacture des Montres Rolex SA, the Sustainability Steering Committee has some 15 members and meets four times a month. It oversees the rollout of the sustainability strategy and the implementation of the related action plan. The Committee also includes a member from the TUDOR brand to ensure that industrial and commercial best practices are shared with this entity.

Sustainability Operations Committees
The 10 existing Sustainability Operations Committees are tasked with rolling out the company's road map within the scope of their activities.

ETHICS AND COMPLIANCE GOVERNANCE

Dedicated supervisory bodies

The Rolex group[1] is structured to address ethical and compliance topics both in terms of strategy and the steering and monitoring of its activities. It has also introduced measures to detect and manage the risks associated with its various supply chains in order to limit its environmental and social impact. To this end, the group maintains close relationships with its partners, suppliers and retailers, accompanying and supporting them in their initiatives to promote sustainable development. In the same way, it assures its customers – and its employees – that it is doing everything in its power to guarantee responsible production and sustainable products.

To strengthen its responsibility in terms of its business conduct, Rolex has been developing a reference framework and internal guidelines over many years, which it continuously adapts to respond to the latest developments in the legislative and regulatory environment. Rolex's new Responsible Purchasing Policy, for example, formalizes the entry into force of the Swiss Ordinance on due diligence and transparency (ODiTr)[2] and Regulation 2017/821 of the European Parliament and of the Council. It is also based on the principles of the Organisation for Economic Co-operation and Development's (OECD's) guide[3] to due diligence related to supply chains of minerals from conflict-affected or high-risk areas (2016/third edition). These principles include the application of due diligence obligations and also concern stakeholder collaboration, innovation, continuous improvement, equal opportunities, and monitoring and evaluation.

These steps institutionalize Rolex's voluntary commitment, which stems from its core values. It has also given Rolex the opportunity to structure its processes and checks to ensure rigorous risk management in a wide range of areas, including child labour, the sourcing of minerals and metals from conflict-affected and high-risk areas, respect for human rights, the impact of its activities on communities, social initiatives, preventing environmental risks, reducing greenhouse gases, waste management, raw material traceability, business ethics and deontology.

[1] In this paragraph, the 'Rolex group' refers to Rolex SA, Manufacture des Montres Rolex SA, Rolex Promotions SA, Roldeco SA, Montres TUDOR SA and Manufacture TUDOR SA.

[2] Since 2023, major Swiss companies, such as Rolex, must meet the legal requirements of the Ordinance on due diligence and transparency obligations regarding minerals and metals from conflict-affected areas and child labour (ODiTr) of 3 December 2021. The elements contained in this report meet these requirements.

[3] OECD (2016), OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Third edition, OECD Publishing, Paris.

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Ethics and compliance governance

ORGANIZATION

Ethics and compliance governance applies to all the value chains of Rolex entities[1] that are subject to legal due diligence and transparency obligations. Guided by an Ethics and Compliance Charter, its aim is to steer, roll out and improve the entire due diligence system, including the due diligence strategy, disseminating and applying guidelines, overseeing the risk management system, managing an alert system, coordinating external audits and the due diligence report, as well as overseeing compliance training and regulatory, geopolitical and media monitoring.

Its remit also includes defining the ethical, social and environmental risks for each external stakeholder, implementing and monitoring risk mitigation plans and updating the Responsible Purchasing Policy and Sustainable Development Charter.

RESPONSIBILITIES

Ethics and Compliance Strategy Committee

The Ethics and Compliance Strategy Committee comprises, at a minimum, the Director of the Purchasing, Support and Infrastructure (PSI) Division, the Head of Purchasing and the Head of Ethics and Compliance at Rolex SA. The main role of this committee, which meets at least twice a year, is to guarantee ethics and compliance governance by approving the internal charter, rollout plans and due diligence work. Its responsibilities also include approving risk maps, working with at-risk stakeholders and reviewing the due diligence report, which it submits to the Board of Directors for signature.

[1] To guarantee the application of common principles, a member of TUDOR SA is actively involved in Rolex's ethics and compliance governance.

Ethics and Compliance Steering Committee

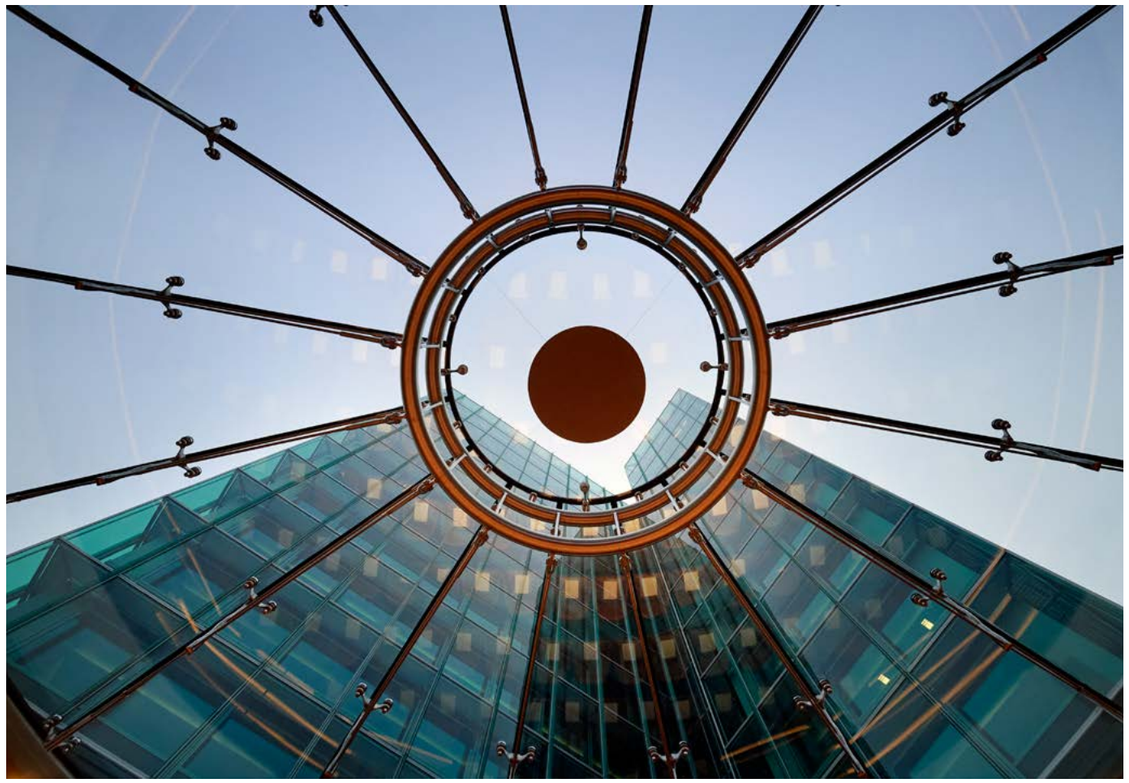
The Ethics and Compliance Steering Committee is made up of, at a minimum, the Heads of Purchasing of Rolex SA, Manufacture des Montres Rolex SA, Montres TUDOR SA and Manufacture TUDOR SA, the Head of Public Relations of the Communication and Image Division of Rolex SA, the Head of Finance Switzerland of Rolex SA and the Head of Ethics and Compliance of Rolex SA. This committee meets at least 10 times a year. It oversees the production of the annual due diligence report, the rollout plan and due diligence work, as well as stakeholder management and cases emanating from the alert system.

Ethics and Compliance Team

The Ethics and Compliance Team reports to the Ethics and Compliance Steering Committee. The Head of the Ethics and Compliance Team has direct access to both the Strategy Committee and the Steering Committee, with whom they communicate and talk regularly. In charge of operational activities relating to ethics and compliance, this team is responsible for:

- monitoring value chains and due diligence requirements;
- training all the group's stakeholders in due diligence and compliance;
- ensuring the group's external due diligence audit is completed successfully;
- monitoring the integration process for new external stakeholders;
- monitoring the process for investigating and closing alerts;
- preserving the anonymity and confidentiality of the whistleblowers.

The Ethics and Compliance Team carries out its activities impartially and independently of the objectives of other internal departments or divisions. This provides additional assurance regarding the level of control of the risks associated, among other things, with the scope of the ODiTr.



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TRACEABILITY GOVERNANCE

A specific framework

In addition to the ethics and compliance control and monitoring activities, Rolex has introduced specific governance for traceability topics related to its supply chain.

PRECIOUS METALS AND PRECIOUS STONES COMMITTEES

As the supervisory body for responsible purchasing practices, the Precious Metals Committee guarantees governance, approves strategy and ensures decisions are coherent. It meets regularly to carry out strategic and operational monitoring. Gold, silver, platinum and palladium, in particular, are handled by this committee. This level of governance is replicated for precious stones within a Precious Stones Committee.

SOURCING COMMITTEE

The Sourcing Committee meets annually with each supplier to assess its performance and define an action plan for certain precious materials.

COMMUNICATING ABOUT SUSTAINABILITY

Internal and external communications

For years, the company has been regularly communicating internally about the development of its 'Impact and Sustainability' initiative, both via its Intranet and via specific communication channels intended for management.

After rolling out a dedicated information campaign at the end of 2022 aimed at all the company's key personnel, a monthly themed publication was launched in 2023. The Intranet has also featured a specific section dedicated to Corporate Social Responsibility (CSR) since October 2023.

Rolex has also strengthened its external communications about sustainability. Since October 2023, the general public has been able to read up on the brand's commitments to sustainable development on dedicated pages of the Rolex website (rolex.com).

In this report – and for the first time publicly – the brand is also communicating all its sustainability initiatives. Prior to this, it had been producing sustainability reports for internal use since 2017.

Finally, to meet the requirements of the Swiss Ordinance on due diligence and transparency (ODiTr), Rolex has produced an internal report with details of the organization put in place to ensure respect for human rights in its supply chain, as well as the traceability of certain raw materials, notably gold, tungsten, tantalum and tin. The auditing company PricewaterhouseCoopers SA carried out a verification of compliance with the legal requirements and did not report any breach by Rolex of its duty of care with regard to minerals and metals.

Communication about the traceability system and the alert system was rolled out internally for Rolex employees. This information is also available on the brand's institutional websites for all its stakeholders. All direct suppliers were informed by letter of Rolex's implementation of an ethical, social and environmental risk management system and the formalization of responsible purchasing practices. Suppliers were also informed of the online availability of Rolex's alert system and the rollout of its ethics and compliance governance.

CODE OF CONDUCT

Shared values and principles

Drawn up in 2023 for distribution in 2024, the Rolex Code of Conduct defines the commitment expected of the brand's employees in terms of the company's business conduct, particularly in areas such as corruption, conflicts of interest and fair competition practices, as well as in the management of health and safety in the workplace and, among other things, environmental practices.

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DATA PROTECTION AND CYBERSECURITY

Guaranteeing a secure environment

DATA PROTECTION

Rolex has always paid particular attention to protecting personal data, whether belonging to its employees, partners or customers. The company channels technical and organizational resources into guaranteeing this protection. In this context, its approach concerns the collection and secure storage of data, as well as the regulation of its use. The aim is to prevent any misuse or unauthorized access.

Supervised and managed by specialist teams, this activity covers risk and compliance, training and awareness raising, incident management and security testing. Data confidentiality and tracking policies are also available on the company's website (rolex.com).

The company has organized itself at every level to optimize security, and guarantee compliance and the fulfilment of its legal obligations. To this end, it created the position of Personal Data Protection Advisor and appointed staff to raise awareness across all business lines concerned, to guarantee best practices and ensure compliance.

Each IT project is also supervised to ensure it features protection solutions designed to prevent accidental loss, unauthorized use or access, and any modification or disclosure of personal data. Requests can also be made to assert rights, such as the right to be forgotten. The team processed 15 personal data erasure requests in 2023. It should be noted that no substantiated complaints, leaks, thefts or identified losses were recorded during the financial year under review.

CYBERSECURITY

In addition to its data protection policy, Rolex has implemented a secure infrastructure and environment to protect all its activities against cyberattacks. At the same time, the brand enforces internal regulations and organizes various online training initiatives for all staff and compulsory in-person training for management. Initiatives designed to raise awareness about data protection are also implemented throughout the company, including regular anti-phishing campaigns, the publication of newsletters and online articles, the organization of conferences, and occasional communication campaigns in shared areas.

In 2023, an anti-phishing campaign raised awareness among more than 7,000 people (company employees and service providers). Another more targeted campaign was also rolled out to reach at-risk divisions. This involved a total of around 2,500 people.

SUPPLY CHAIN

SUPPLY CHAIN

Responsible supply chain management is an important topic for Rolex, as it directly and significantly influences the sustainability of its activities. To control it, the brand relies on the legislative and regulatory framework and has formalized its approach in collaboration with its partners.

In this context, the brand implements risk detection and management measures and is deepening its environmental and social analyses on an ongoing basis. It maintains frequent contact with its suppliers and regularly comes to agreements with them on improvement processes.

OUR STRATEGIC COMMITMENTS

Prioritize the brand's actions in countries at risk in terms of human rights.
— *Carry out independent audits.*

Map supply chains and develop traceability systems according to the level of risk identified.
— *Deploy digital traceability for diamonds and precious metals.*

Guarantee geographical origins in line with Rolex's CSR criteria.
— *Give precedence to 'direct purchasing' flows.*

Extend the due diligence system to all CSR risks.
— *Roll out the approach to suppliers and then to the entire supply chain (suppliers of Rolex suppliers).*

RESPONSIBLE PROCUREMENT AND PURCHASING

Taking action and supporting our partners

Whether purchasing materials, products or services, Rolex ensures the responsible selection and management of all the partners and suppliers involved in its supply chain. This responsibility includes regularly evaluating them, raising their awareness of sustainability and taking measures to ensure their practices comply with regulations and align with the company's responsible practices.

It should be noted that 96% of direct purchases – purchases related to products, i.e. everything that features in the composition of our watches – are made in Switzerland. As for the remaining percentage, 1% comes from countries bordering Switzerland (Germany, Austria, France, Italy), 2% from countries located in Europe (Belgium, the Netherlands and Sweden) and 1% from countries outside Europe (United States and Thailand).

RESPONSIBLE PURCHASING POLICY

Based on a code of conduct dedicated to corporate purchasing, Rolex's Responsible Purchasing Policy was formalized in 2023. It aims to ensure the standardization of practices within the Purchasing department and incorporates environmental and social aspects into the company's purchasing decisions. The purpose of this document is also to maintain quality relations with suppliers in the long term and promote in-house purchasing strategies that have positive environmental and social impacts. The Responsible Purchasing Policy is available online at rolex.com.

Among other things, this policy is based on Swiss[1] and European[2] regulations as well as on the principles developed by the OECD guide[3] on due diligence related to supply chains of minerals from conflict-affected or high-risk areas (hereinafter referred to as the 'OECD guide'). It describes the brand's due diligence obligations and the best practices implemented over many years in relation to a purchasing management mechanism.

According to the OECD guide, "due diligence is an on-going, proactive and reactive process through which companies can ensure that they respect human rights and do not contribute to conflict… Due diligence can help companies ensure they observe the principles of international law and comply with domestic laws, including those governing the illicit trade in minerals and United Nations sanctions." It is sometimes also referred to as 'required carefulness' or 'reasonable care'.

The approach is based on Rolex's voluntary commitments, which originate in its core values, ethics and internal regulations.

[1] Ordinance on due diligence and transparency obligations regarding minerals and metals from conflict-affected areas and child labour of 3 December 2021 (status as of 1 January 2022).

[2] Regulation (EU) 2017/821.

[3] OECD (2016), OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Third edition, OECD Publishing, Paris.

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> *"Sustainability is a long-haul journey that has to be prepared for and advocated on a daily basis. It's also a process and a challenge that concerns us all. This topic is a priority for Rolex because, at our level, we have the power to take very tangible action to support the environment and society."*
>
> **JEAN-FRÉDÉRIC DUFOUR**
> Chief Executive Officer, Rolex SA

SUSTAINABLE DEVELOPMENT CHARTER

To encourage its suppliers, service providers, retailers and business partners to adopt a responsible attitude and implement tangible sustainability measures, Rolex drew up a Sustainable Development Charter for them in 2022. Covering corporate environmental, social and governance responsibility, the principles and measures set out in the charter are inspired by Rolex's values of excellence and its spirit of ongoing innovation, as well as international reference texts such as the Universal Declaration of Human Rights, the conventions of the International Labour Organization (ILO), and the United Nations Sustainable Development Goals. By signing this document, Rolex's partners demonstrate their voluntary commitment to society and to the planet, in the interests of as many people as possible and future generations. The charter is available online at rolex.com.

To date, 98% of the turnover of purchases made with suppliers that present a risk has been covered by the signature of the Sustainable Development Charter. The aim is to reach 100% of signatures in 2024.

It should be noted that Rolex requires all its metal suppliers to sign its Sustainable Development Charter and follow the principles in the OECD guide to ensure responsible procurement.

1,269

Number of suppliers that have signed Rolex's Sustainable Development Charter.

COMPLIANCE QUESTIONNAIRE

The compliance questionnaire enables suppliers to be given a degree of maturity in managing their businesses in relation to social, environmental and governance risk management topics. To date, 64% of the turnover of purchases made with suppliers that present a risk is covered by the compliance questionnaire.

TRACEABILITY OF RAW MATERIALS

Back to the source

For Rolex, being able to trace the entire path of a material, from its source to its end use, is crucial. Traceability strengthens guarantees related to transparency and product quality and limits risks throughout the supply chain, especially during the various processing steps that a product undergoes throughout its life cycle.

Among the main risks related to traceability, Rolex has identified forced labour and child labour, non-compliance with workers' rights and negative environmental impacts as its priorities. The brand ensures compliance with the legal requirements related to gold, tungsten, tantalum and tin as described in the Swiss Ordinance on due diligence and transparency regarding minerals and metals from conflict-affected areas and child labour (ODiTr).

To mitigate these risks, Rolex seeks to map and, as far as possible, trace all the materials that it purchases for the manufacture of its watches. To this end, the brand must control the links that exist between the various actors in its supply chain and work closely with its suppliers, the vast majority of which it has built long-standing relationships with.

DEFINITIONS

Mapping
Through 'mapping', Rolex collects information about its suppliers and their supply chain to create a global map of its own network for the purchase of materials, products or services. For supply chains that present a risk, Rolex works with its direct suppliers to identify and assess the risks associated with the following tiers. The exercise is repeated for each tier in the supply chain in order to map risks as early as possible. Each supplier must be transparent and provide all the information it can to allow Rolex to map its value chain by compiling the origin of the materials used, the sites and the product manufacturing context.

Traceability
Through 'tracing', the brand guarantees and documents the origin and digital tracking of the physical flows of batches of materials, components and products, among other things, as well as the actions that govern their processing, such as production, assembly, packaging – or their transfer – including handling and transport.

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FRAME OF REFERENCE

In recent years, Rolex has strengthened the traceability of its supply chains to ensure control of commercial channels when purchasing its raw materials. The brand has also developed a risk mitigation plan to be able to support each supplier in this respect. In addition to national and international regulations and reference frameworks established particularly by the ILO[1] and the OECD, the company relies on the following environmental certifications and regulations:

Certifications
Precious metals
- London Bullion Market Association (LBMA)
- London Platinum and Palladium Market (LPPM)
- Responsible Minerals Assurance Process (RMAP)
- Responsible Minerals Initiative (RMI)
- The Conflict Minerals Reporting Template (CMRT) / Responsible Minerals Assurance Process (RMAP)
- Responsible Jewellery Council Chain of Custody (RJC CoC)

Diamonds
- The Kimberley Process (KP)

Environmental regulations
- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
- Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)

Traceability programmes
Thanks to its vertical structure, the brand enjoys direct access to many of its suppliers and can thus reinforce the traceability of its upstream supplies, as close as possible to the risks. In some very-high-risk supply chains, in addition to regulatory obligations, Rolex has set up its own traceability programmes, particularly for gold *(see Gold, pages 46–47)*.

Committees
Rolex has set up internal supervision committees *(see Traceability governance, page 31)* on responsible purchasing practices for precious materials (metals and minerals, as well as for coloured stones). The brand has introduced separate committees for each refiner to assess their respective performance and implement corrective measures, if necessary.

RISK MANAGEMENT

Description of the risk management system
In response to the requirements of the Swiss Ordinance on due diligence and transparency regarding minerals and metals from conflict-affected areas and child labour (ODiTr) of 3 December 2021, Rolex has established a risk matrix that identifies and assesses the likelihood and severity of risks in its supply chain, in terms of human rights and the environment. Within this framework, the severity of a negative impact is judged individually and per industrial sector according to the gravity, scale and irremediable nature of the damage. Probability is defined by the possibility of this impact occurring. Updated annually in view of geopolitical, media and sector-specific realities, this risk matrix is an essential governance tool for managing purchasing within each industrial sector worldwide.

Risk matrix
The matrix is used to prioritize risk and supply perimeters. On this basis, an annual due diligence programme is carried out to accurately analyse the supply chains and calculate the risks associated with the location of suppliers. This work makes it possible to define the scope of the annual due diligence in accordance with the criteria set out by the applicable regulations. The steps described below are implemented within this scope.

[1] The United Nations Convention on the Rights of the Child, ILO Convention no. 138 on the minimum age for admission to employment and ILO Convention no. 182 concerning the worst forms of child labour.

The risk matrix includes the following categories:

— **Governance:** money laundering and funding terrorism, supporting armed groups, non-compliance with taxes, fees and charges, illegal mining, child labour.

— **Social:** forced labour, discrimination, harassment, non-respect of freedom of assembly and association, deprivation of land; violation of the right to privacy, decent working and living conditions, health and safety, gender equality.

— **Environment:** soil pollution and biodiversity damage, deforestation, waste and pollutants.

Risk identification channels

Mapping

Rolex launched a mapping campaign, starting with supply chains that present a risk. Within this framework, its purchasers – in collaboration with tier 1 suppliers (Rolex's direct suppliers) – identify and assess the risks associated with the following tiers in the supply chain.

Each supplier must be transparent and provide all the information it can to allow Rolex to map its supply chain, specifying the origin of the materials used, the sites and the product manufacturing context.

Minerals and metals

For minerals and metals, the mapping involves tracing supply chains by identifying the suppliers of Rolex's tier 1 suppliers included in the annual scope. The exercise is repeated for each tier in the supply chain to map risks back to the mine or as far upstream as possible if the supplier is certified.

If the certifications correspond to those recognized by Rolex *(see Responsible Purchasing Policy, page 36)*, the certifications produced by the suppliers and their own suppliers guarantee the absence of minerals and metals sourced from conflict-affected areas upstream in the supply chain. Rolex thus inherits the due diligence performed by its suppliers. In this case, it is not necessary to go up the chain to the mining source.

Child labour

With regard to child labour, Rolex relies on the address of the supplier as well as the 'made in' designation (country of production according to the indication of origin) of the product or service sourced. The 'made in' designation enables the company to protect itself if a tier 1 supplier is only a distributor located in a territory identified as risk free. In this case, Rolex traces the production location of the good or service supplied.

Given the diversity of goods and services supplied in its supply chain, Rolex takes a large quantity of data into account, including the 'Swissness' self-sufficiency rate and the customs certificate of origin. The aim is to determine whether the good or service was produced in Switzerland or in which country most of the added value was provided.

Monitoring

Rolex continuously monitors geopolitical, media and sector-specific current events in connection with industrial sectors and suppliers. This monitoring is integrated into each stage of the life cycle of its suppliers' goods or services. It is also reinforced when a potentially high-risk supplier (in terms of child labour or minerals and metals) is added. Rolex's aim is to guard against all risks before entering into a commercial relationship. Monitoring also makes it possible to anticipate the implementation of new regulations concerning due diligence worldwide.

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Calculating supplier risk

There are three levels of risk for suppliers across the different supply chains, regardless of their tier.

Minerals and metals

For risks related to minerals and metals from conflict-affected or high-risk areas, Rolex proceeds as follows: each supplier in the supply chain is mapped. Its risk level is then assessed according to its address (country and region) as established by the CAHRAs (conflict-affected and high-risk areas) list:

— **Low risk:** the supplier is not located in one of the countries mentioned in the reference framework.

— **Medium risk:** the supplier is located in a country, but not a region, mentioned in the reference framework.

— **High risk:** the supplier is located in a country and a region mentioned in the reference framework.

A tier 1 supplier who has business relations with low- and medium-risk suppliers in its supply chain will inherit the highest risk in the chain. In this precise case, Rolex assigns it as a medium risk.

If Rolex has a supplier declaration or certification enabling it to exclude origin from a conflict zone (i.e. a region on the CAHRAs list), then the supplier risk is not identified as high. However, as the low risk cannot be proven in this case, Rolex assigns it a medium level of risk.

Child labour

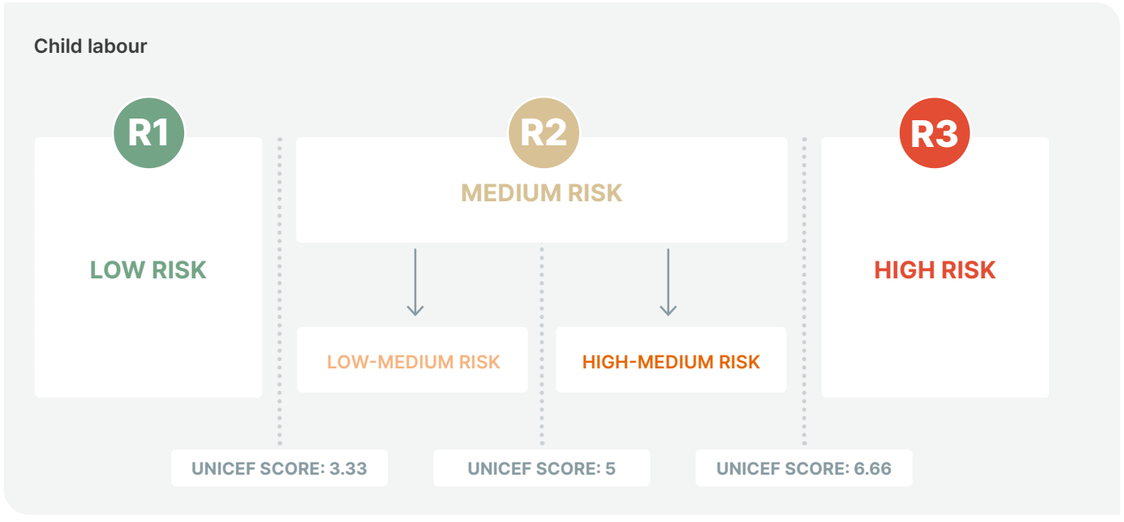
With regard to child labour, Rolex calculates the risk for each good or service provided based on information related to the 'made in' country listed in the United Nations Children's Fund's (UNICEF's) Children's Rights in the Workplace Index[1], including the country score:

— **Low risk:** the score is between 0 and 3.33 excluded.

— **Medium risk:** the score is between 3.33 included and 6.66 excluded.

— **High risk:** the score is between 6.66 included and 10.

[1] Children's Rights in the Workplace Index
www.unicef.ch/en/what-we-do/national/partners-and-initiatives/childrens-rights-and-business



For child labour, medium risk is categorized as 'high' or 'low' to reinforce the weight of control of the standard model that applies to all risks.

- **Medium risk:** the score is between 3.33 included and 6.66 excluded.
- **Low-medium risk:** the score is between 3.33 included and 5 excluded.
- **High-medium risk:** the score is between 5 included and 6.66 excluded.

As when calculating risks related to minerals and metals, if risks have been identified in the supply chain, each supplier is automatically assigned the maximum level of risk.

FOCUS

ALERT SYSTEM

Deployed on rolex.com in October 2023, a reporting system is now available to all brand stakeholders to address any well-founded doubts about potential or actual adverse effects observed in the supply chain related to the ODiTr's requirements for minerals and metals from conflict-affected areas and child labour. Rolex has implemented this mechanism on a third-party platform to ensure data remains anonymous and confidential when an alert is processed internally. The brand expanded the system in March 2024 to register and process any alerts related to the company in relation to human rights, fundamental freedoms, environmental protection and good governance, as well as harassment, discrimination and corruption, among others things.

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Risk mitigation plan

Rolex has implemented a risk mitigation plan throughout its supply chain through which it supports each supplier. However, if the risk is too great to be completely controlled, Rolex reserves the right to terminate the business relationship.

Depending on the level of risk identified with the supplier, Rolex organizes, among other things, audits (planned or spontaneous) at the production, subcontracting and raw material extraction sites conducted by approved external auditors.

After analysing the results, Rolex gives its partner six months to remedy any minor non-conformities observed, and requests an immediate action plan for major non-conformities. Risk mitigation action is monitored and measured. It must also demonstrate its relevance and effectiveness.

The risk mitigation plan provides for control proportionate to the risk:

- **Low risk:** the supplier voluntarily aligns with the brand's environmental, social and governance commitments by signing Rolex's Sustainable Development Charter designed for its partners.
- **Medium risk:** Rolex sets up a document audit to assess the supplier's risk control. This audit is reviewed every three years. The supplier must also sign Rolex's Sustainable Development Charter.

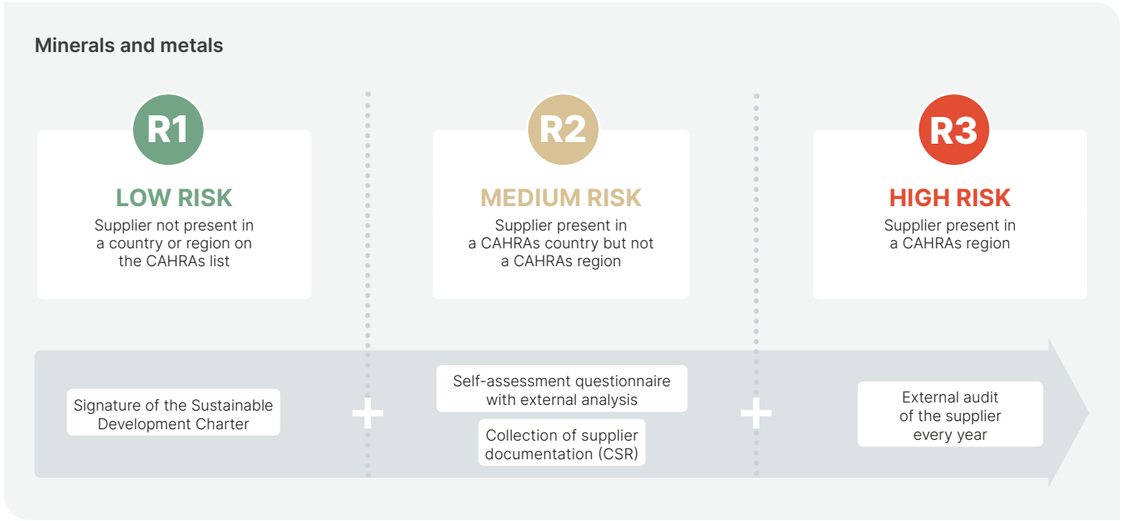
  With regard to child labour, Rolex has implemented a specific mitigation plan, as mentioned above:

  - **Low-medium risk:** the medium-risk action plan applies.
  - **High-medium risk:** control is strengthened. An audit is carried out by an approved external auditor at the supplier's site in order to assess risk control, and is reviewed every three years. The supplier must also sign Rolex's Sustainable Development Charter.
- **High risk:** an audit is carried out by an approved external auditor at the supplier's site in order to assess risk control. This audit is reviewed annually. The supplier must also sign Rolex's Sustainable Development Charter.

Risk mitigation plan

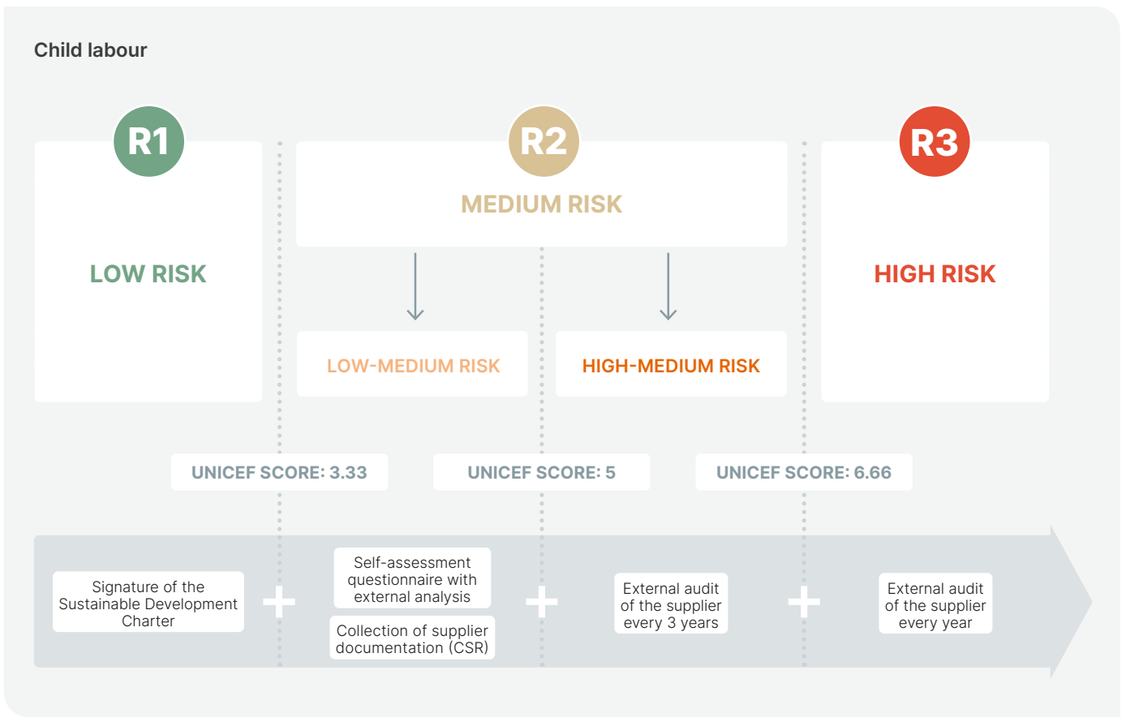
		FREQUENCY		
		ONCE ONLY	EVERY YEAR	EVERY 3 YEARS
SR1	LOW RISK			
	— Signature of the Sustainable Development Charter	☑		
SR2	MEDIUM RISK			
	— Signature of the Sustainable Development Charter	☑		
	— Supplier documentation (CSR)			☑
	— Self-assessment questionnaire or recognized certification			☑
SR3	HIGH RISK			
	— Signature of the Sustainable Development Charter	☑		
	— Supplier documentation (CSR)		☑	
	— External auditor mandate or recognized certification		☑	
	— On-site visit		☑	

SR = Supplier risk Controlled risk



Concerning the risk related to minerals and metals, when the supplier has a certification recognized by Rolex *(see Frame of reference, page 39),* this means that it meets the brand's regulatory expectations in terms of risk control. In this case, Rolex ensures that the certification is properly renewed.

It should be noted that in certain supply chains – particularly for gold *(see Gold, pages 46–47)* – in addition to the regulatory obligations, Rolex has implemented its own traceability programmes to ensure full control of its supply chain.



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Selecting new suppliers

To approve the addition of a new supplier with a high level of risk, a due diligence procedure is conducted as a matter of course by the Ethics and Compliance team. Each supplier is also required to sign Rolex's Sustainable Development Charter, which enables the brand to ensure that its core values and environmental, social and governance commitments are shared.

DUE DILIGENCE APPROACH TO SUPPLIER RISK ('KNOW YOUR SUPPLIER')

Rolex takes a diligent approach to approving the selection of new suppliers of gold, tungsten, tin and tantalum. The brand analyses candidates based on their upstream supply chain, their ability to guarantee the traceability of their materials and their internal governance. This approach uses the risk matrix detailed above, which enables Rolex to report on these raw materials and thus cover the requirements of the Ordinance on due diligence and transparency regarding minerals and metals from conflict-affected areas and child labour (ODiTr). It should be noted that, in this context, the brand does not report on tantalum, which is below the thresholds set by the ODiTr.

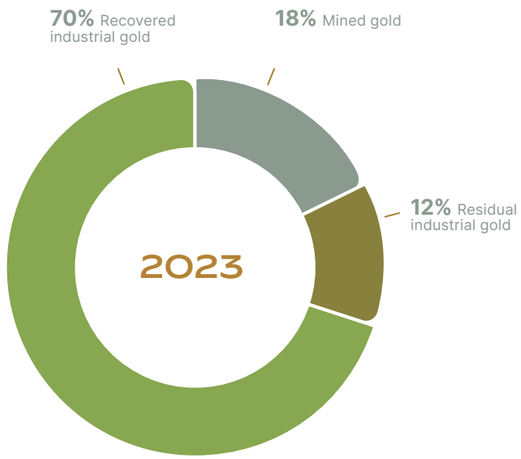
GOLD

Categorizing types of procurement

Rolex uses three types of precious metal sourcing: recovered industrial gold reclaimed from Rolex production waste (70% of total supply); mined gold from industrial and small-scale mines (18%) and residual gold from the watchmaking and electronics industries (12%).

By 2025, Rolex aims to achieve the following distribution: 70% recovered industrial gold, 15% mined gold and 15% residual industrial gold.

Gold supply



A certified traceability system

Rolex has developed its own traceability system for gold, certified by the ISAE 3000 type 1 standard, in order to be able to identify all the steps in the yellow metal's journey: extraction, pre-refining, transport and refining. The control procedure involves frequent travel to the sites by buyers, as well as the installation of segregated equipment at all refiners in order to avoid any mixing in the supply chain. This exclusive flow provides an additional traceability guarantee until it is delivered to Rolex.

Thanks to the system put in place, Rolex has been able to guarantee 99% of the traceability of its gold supply since 2020. The remaining 1% is already fully mapped and does not represent any risk in terms of conflict-affected areas, human rights or environmental concerns. Rolex can thus control the quantities of minerals purchased and their provenance at all stages of their processing. The procedure put in place for gold is a benchmark for Rolex. It will eventually serve other supply chains dedicated to metals and minerals, including platinum.

99%
Gold flow traced in the supply chain

Close collaboration with refiners

Rolex has been working with each of its suppliers – all long-standing partners – for years in order to understand who is involved in its value chain and thus control the risks of environmental and social impacts linked to its gold supply. In this context, the brand works in particular with its refiners to select the mines that it wishes to include or exclude from its panel on an annual basis. Rolex has signed confidentiality agreements with its suppliers. The brand is therefore not allowed to disclose their names. However, it can divulge the countries of origin of the mined gold that it uses: Argentina, Canada, Chile, Finland, Peru, Sweden and the United States. For residual gold, Rolex sources from refiners in Italy, the United States and Japan that have Responsible Jewellery Council Chain of Custody (RJC CoC) certification and who are members of the London Bullion Market Association (LBMA).

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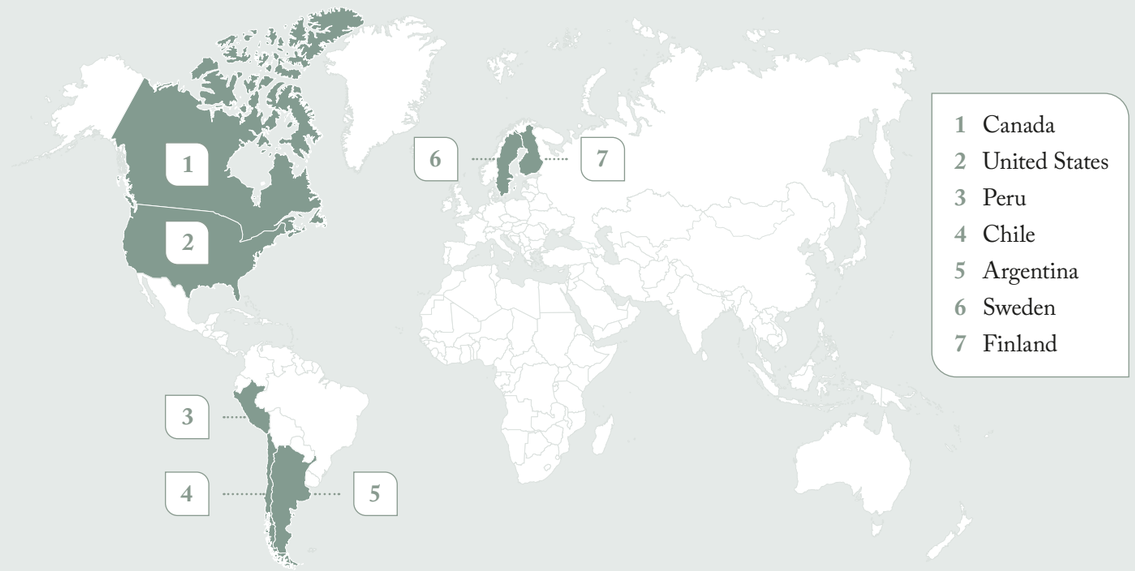
Countries of origin of Rolex's mined gold



OTHER METALS

Silver

As silver and gold come from the same deposits, the silver sector naturally benefits from the traceability efforts implemented for gold. 70% of silver supplies come from mining sources whose physical flows are traced. To further improve its visibility on the provenance of its silver, Rolex is continuing its mapping work while assessing and optimizing all its sources. The aim is to achieve 99% traceability for this material by 2028.

Platinum

Rolex aims to replicate its gold traceability model for platinum. From 2024, the brand will roll out an action plan aimed at segregating its waste and guaranteeing origins outside areas that present a potential risk. At present, Rolex is already working with each of its suppliers to analyse their value chain and control the risks associated with environmental and social impacts. For refining platinum waste recovered from its production, the brand uses London Platinum and Palladium Market (LPPM)-certified refiners.

Ultimately, Rolex also wants to implement closed-loop refining of the platinum waste recovered from its production sites.

Tungsten

In order to exclude countries that present a risk, Rolex has mapped the source areas of the minerals used by its suppliers. These are located exclusively in Europe.

All long-standing partners, Rolex's suppliers use foundries with Responsible Minerals Initiative (RMI) certification and Conflict Minerals Reporting Template (CMRT) certificates. These elements ensure that their value chain has been audited right up to the mine and that human rights are respected throughout their supply chain, including at foundries and refiners.

Brass

Rolex has developed its brass supply chain with the aim of limiting the intermediaries between foundries and processors as much as possible. The brass procured by the brand comes from German foundries. This alloy used by Rolex is mainly composed of copper and zinc, as well as tin in very low proportions (<0.5%). As tin is a mineral potentially linked to conflict-affected or high-risk areas, Rolex has ensured that priority is given to obtaining the Conflict Minerals Reporting Template (CMRT) certificates from all foundries that supply the brand's 'processor' suppliers.

40%

Percentage of recycled raw materials in the brass procured by Rolex

Copper

The foundries used by Rolex are required to perform mapping. The total volume of copper used by the brand is relatively low. At this stage, Rolex has fully mapped its flows and knows all its tier 1 and tier 2 suppliers. However, the brand must continue to identify all those involved in its supply chain right back to the countries in which the mineral is extracted.

70% Recycled copper*

30% Mined copper*

*Direct procurement (excluding alloy)

Titanium

The titanium purchasing channel focuses exclusively on suppliers based in Switzerland, who source from certified American and European foundries. It should be noted that the latter benefit from privileged access to waste from the aeronautical sectors, whose recovered flows are controlled and traced.

Rolex uses 40% recycled titanium. This low figure is explained by the lack of waste offering the characteristics sought by the brand, as well as by the need to maintain the mechanical properties of titanium by adding other minerals. The waste from Rolex's production is currently recovered in a conventional recycling channel.

Steel

Oystersteel is an alloy for which Rolex's exclusive suppliers use waste from European industry in their manufacturing process (note that one of them operates using 100% renewable electricity). This waste represents 60% of the volume of castings on average, and consists of alloyed (from alloys) and non-alloyed (from pure metals) waste. The remaining percentage is made up of primary ferroalloys, which feature high proportions of the elements that make up Oystersteel and are added in variable proportions to castings to obtain the final desired grade of steel (904L).

Thanks to accurate mapping, Rolex knows the geographical origin of each of the minerals used in the steel alloys delivered by its suppliers. The brand has also secured the origin of the alloy elements used in the manufacture of Oystersteel, excluding areas that present a risk. To increase the share of steel from Rolex's production in castings, the brand is currently conducting a pilot project to recycle Oystersteel *(see Recycling Oystersteel, page 64).*

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TRACEABILITY OF PRECIOUS STONES

Towards greater transparency

DIAMONDS

The quality criteria defined by Rolex for its diamond supply suggest that less than 1% of global production meets the quality standards benchmarked by the brand. Suppliers must therefore work with multiple intermediaries, which represents a challenge when it comes to mapping and goes against the culture of discretion that is prominent in this sector.

However, without foregoing the volumes and quality of the stones that the brand needs to produce its watches, Rolex has expressly asked its suppliers to comply with its requirements regarding the origin of diamonds.

In this context, each supplier is required to complete a monthly 'mapping sheet' detailing reliable information for each batch of stones sold (for rough and cut diamonds alike). This requirement has made it possible to shorten the channels and reduce the proportion of stones coming from the free market. Today, Rolex has successfully mapped the geographical origin of 97% of the rough round diamonds it purchases (compared with 86% in 2022) and knows 100% of the countries in which they are cut. Today, in-depth visits by Rolex teams have been carried out in factories cutting nearly a third of the brand's portfolio (29%).

Since 2022, in response to the consequences of the Russian-Ukrainian conflict, Rolex has made major changes in its diamond supply chain to exclude certain channels.

Rolex also calls on its suppliers to pay ever greater attention to responsibility and sustainability criteria in order to assess risks and direct their procurement

towards countries that are politically stable, and which fight corruption. The long-term aim is to move from a declared map to a documented map.

Today, 100% of the diamonds used by Rolex are certified by the Kimberley Process, which attests that the rough diamonds purchased have no links to conflict-affected areas. To ensure responsible procurement, the company sources from a limited number of suppliers, all of whom are trusted partners.

For diamonds, Rolex has 100% declarative traceability that lists the countries in which they are extracted and cut. The brand's aim is to increase its direct sourcing of diamonds from 30% to 50% by 2027. This means that suppliers delivering polished diamonds act as both buyers of rough diamonds and supervisors of the cutting process. This share is expected to rise to 75% by 2030. In the meantime, the brand has set itself the goal of implementing 100% digital traceability, approved by external audits, and evaluating its cutting factories every three years.

COLOURED STONES

In the long term, the elements put in place to trace diamonds are also set to be applied to all coloured stones to obtain 100% declarative traceability and an assessment of cutting factories on a three-yearly basis. By 2027, Rolex should be able to guarantee a certified geographical origin for all the rubies and emeralds it purchases. As for sapphires, Rolex seeks to promote a direct supply flow between the mines and its suppliers. The aim is to reach 30% of its volume using this channel by 2030.

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OTHER MATERIALS

Knowing all the parties involved

MOTHER-OF-PEARL

Mother-of-pearl accounts for 85% of the volume of ornamental stones used to decorate the dials of Rolex watches. The brand maps the origin, although there is currently no recognized international standard for this market.

For its dials, Rolex uses pink mother-of-pearl from the United States, iridescent and white mother-of-pearl from Australia and the Indo-West Pacific, and black mother-of-pearl from Polynesia.

For a long time, Rolex's long-standing suppliers have had to deal with intermediaries upstream in the value chain who are unwilling to be transparent about the origin of their batches. However, the way Rolex's production chain operates is in the process of changing, thanks to some suppliers who are actively working to enhance traceability and certification in line with environmental and social criteria. One of them applies the principles of the independent ecocrest© certification, based on ecological criteria and fair trade principles. The other preferred Rolex suppliers carry out various audits across their entire supply chain. Thanks to the efforts made in recent years, Rolex knows the origin of 75% of the mother-of-pearl it uses to manufacture its watches.

SAPPHIRE CRYSTALS

For several years, Rolex has been working closely with its sapphire crystal suppliers to understand who is involved in its value chain and thus control the environmental and social impacts of this material.

To this end, the brand has mapped its flows from the supply of alum powder to the manufacture of the crystals. The aim was to select responsible sources, excluding areas that present a risk. Work was also carried out with suppliers to measure the carbon impact of the supply chain, from the extraction of bauxite to the delivery of sapphire crystals.

To reduce this impact, Rolex favours local procurement, based on edge-defined film-fed growth (EFG) technology. This technology, which consists of pulling crystal sheets from a bath of molten sapphire, consumes less energy than the Verneuil process, which uses a shower of droplets of molten material falling on the growing crystal to create the sapphire crystal. By 2029, the EFG process is set to be used for more than 50% of the sapphire crystals procured by the brand.

OYSTERFLEX

The Oysterflex bracelet consists of two curved, supple metal blades – one for each of its sections – overmoulded with a high-performance black elastomer. The shape-memory nickel and titanium alloy used to craft the blades is highly elastic. It also contains brass rivets.

The blades are made in Europe, while the alloy used for them is sourced in the United States. The procurement policy of the relevant suppliers, who are signatories to the brand's Sustainable Development Charter, is aligned with Rolex's sustainability expectations.

As regards the elastomer, Rolex co-developed this specific material with its supplier, who is working to significantly reduce its own carbon footprint by using renewable energy. The rubber that makes up most of the elastomer comes from identified suppliers that meet Rolex's sustainability expectations.

The bracelet sections are overmoulded in factories located in Switzerland.

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LEATHERS

Rolex mainly produces and sells metal watches. Watches with leather straps thus represent a marginal proportion of its output.

To trace the provenance of the leather used in the manufacture of certain straps, Rolex has implemented a management tool to document its supply chain and consolidate data about its suppliers. In 2023, lizard leather was 100% traced, compared with 84% for alligator leather and 61% for calf-skin bracelet sections.

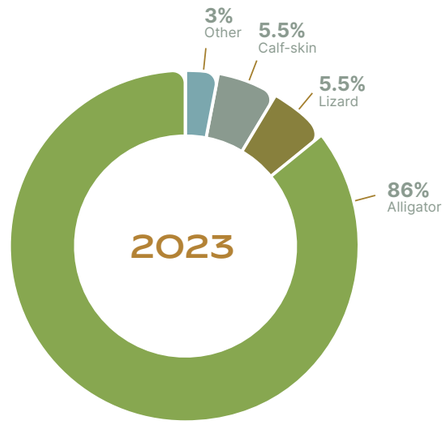
Sourced exclusively from American farms, 99% of the alligator leather purchased comes from tanneries located in the European Union. Most of these tanneries are certified by the Leather Working Group (86%). The alligator leather purchased complies with the provisions laid out by the Convention on International Trade in Endangered Species (CITES) and 86% is certified by the International Crocodilian Farmers' Association (ICFA).

For lizard leather, all the tanneries are located in the European Union and certified by the Leather Working Group.

Used to a minor extent for straps and more widely for leather goods, calf-skin passes through a more complex channel and its traceability is thus less fully developed.

While it is possible to trace all the tanneries (66% of the volume comes from the European Union and 34% from outside it), the farms and all the slaughterhouses have a partially known origin. It should be noted that 99.64% of the volume used is ordered from tanneries certified by the Leather Working Group.

Provenance of leather



In 2023, leather bracelet sections accounted for 0.98% of the total used for watches

HUMAN RIGHTS

A fundamental responsibility

Rolex takes the utmost care to ensure that its activities are conducted in a manner that respects human rights. To this end, the brand undertakes to perform due diligence throughout its supply chain.

Child labour

Child labour is one of Rolex's major concerns when it comes to supply chains. The brand has a zero tolerance policy in this area. It is joined in this by all stakeholders, who place this topic at the top of their list of priorities. To address it effectively, Rolex has implemented a framework specifically dedicated to managing this risk *(see Risk management, page 39).*

SUSTAINABLE PRODUCTS

SUSTAINABLE PRODUCTS

Innovation is at the heart of Rolex's values. It guides the brand's activities to help it meet the challenges of tomorrow, and to develop and guarantee reliable, sustainable products of exceptional quality for its customers. To satisfy its own requirements and those of its stakeholders, the brand strives to improve its watches, its environmental performance and its impact on society every day by continuously updating its industrial and commercial practices. It invests significant resources in achieving these goals, aligning the company with the principles of a circular economy and attempting to systematize eco-design practices internally.

OUR STRATEGIC COMMITMENTS

Limit the environmental impact of products and manufacturing processes throughout their life cycle by incorporating eco-design criteria.

— *Train 100% of creators, designers and industrialization managers in eco-design.*

Promote innovation for sustainability throughout the value chain.

— *Launch a cross-disciplinary Rolex platform.*

Ensure the company systematically engages with the circular economy.

— *Systematize direct distribution.*

— *Reduce the quantities of raw materials used.*

INNOVATION

Forging new paths

Rolex's reputation has largely been built on its ability to innovate. From the world's first waterproof wristwatch (Oyster) in 1926, through the invention of the self-winding system in 1931 (Perpetual rotor) to its new-generation mechanical movements, the brand has continued to perfect watchmaking expertise. It has also filed more than 600 patents.

RESEARCH AND DEVELOPMENT

Alongside the group's other entities, the Research and Development Division plays an important role in sustainability. Each improvement strengthens the watches' performance and reliability so that they remain functional and repairable for life. The division also contributes to the selection of more responsible materials – whether for the watch or its accessories – to reduce Rolex's impact on the environment.

Bringing together people with a wide range of expertise – physicists, chemists, mechanical and microtechnical engineers, material engineers, tribologists, statisticians, and so on – this division has split its activities into four units: innovation, materials and technology, watch (case and bracelet) and movement.

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FOCUS

COLLABORATIVE INITIATIVE WITH EPFL TO IMAGINE THE FACTORY OF THE FUTURE

A joint initiative launched by Rolex and the École polytechnique fédérale de Lausanne (EPFL), the 'Precision Sustainable Manufacturing' Grand Challenge encompasses several projects with the same goal: to imagine the factory of the future by integrating sustainability into all the processes and materials used to manufacture Rolex products. The brand's new production site in Bulle will incorporate the results obtained through this initiative.

Four work themes have been selected: materials and methods, energy, data-based manufacturing and human-centric manufacturing. They will be addressed one after the other so that each theme can benefit from the conclusions of the previous ones.

In 2023, the first challenge focused on materials and methods. One of the ongoing projects involves using theoretical data to model the mechanical properties of new alloys, notably to reduce the number of practical tests required and thus save time and resources.

FOCUS

EKIPA OPEN INNOVATION INCUBATOR

Working with the ekipa open innovation incubator, Rolex participated in the launch of an innovation competition that encourages students, professionals and start-ups to collaborate with recognized companies to generate ideas for a more sustainable future. The challenge launched by Rolex was to make certain electroplating operations[1] more environmentally friendly. Following a call for ideas, Rolex received nine proposals that were evaluated internally on their technical feasibility, process innovation and sustainability gains. After four weeks' development, Rolex chose a silver electroplating solution with lower impact and less waste. This solution, developed by a European start-up, could eventually eliminate the need for the cyanide baths used in today's process.

[1] Electroplating is a process that uses electrodeposition to cover an object with a fine layer of metal.

FOCUS

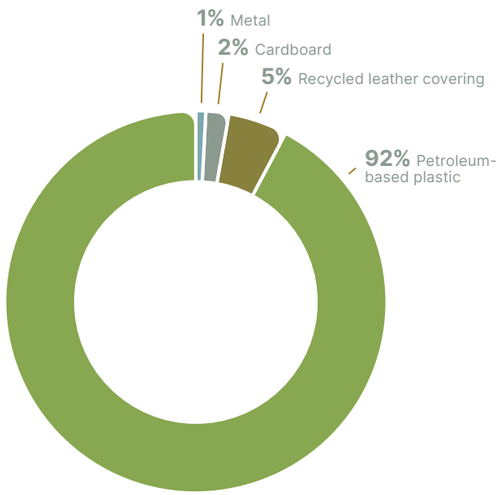
ECO-FRIENDLY PRESENTATION BOXES

Since 2020, Rolex has been developing a new presentation box with improved environmental credentials for the delivery of its watches to its end customers.

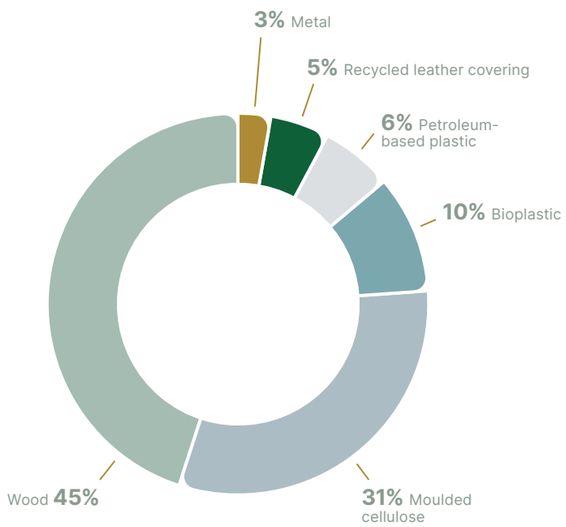
Consisting of a main structure made of wood (45%) and various components made of cardboard and moulded cellulose (31%), this new presentation box reduces its share of petroleum-based plastic from 92% to just 6%. This represents a total reduction of 500 tonnes of plastic per year.

The introduction of this new eco-friendly presentation box guarantees a 50% reduction in greenhouse gas emissions related to its life cycle. Most of these savings are achieved in the materials production phases (–46%). The reduced weight of the new presentation box (–12%) lowers transport-related CO_2 emissions (–2%), while its end-of-life disposal also enables an added reduction in CO_2 emissions (–2%). Mass production of this new box is scheduled to begin in 2024.

Composition of the current box



Composition of the new eco-friendly box



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TECHNICAL ADVANCES

Permanently eliminating lead

Rolex will permanently replace all the alloys containing lead that it uses in the movements of its watches. This industrial shift towards a 100% lead-free movement started in late 2018 and is accelerating as each calibre receives functional approval. This gradual approach makes it possible to progressively replace movements without jeopardizing production and avoids significant disposal of waste from polluted components. This project continues on from the work carried out on our dials, which have not included lead since 2019, in anticipation of legislative developments in this area. Regarding movement components, approximately 75% of the volume represented by these parts does not currently contain lead. The lead content in the remaining 25% is less than 4%, in line with the current European regulation (REACH).

Study on replacing mineral oils with vegetable oils

Used in manufacturing processes to remove metal filings and reduce friction and heat during metal machining, cutting fluids are currently being studied to extend their lifespan and reduce the quantities required. Alongside this project, Rolex is currently exploring solutions, in partnership with suppliers, to replace cutting fluids of mineral origin with new-generation products – synthetic vegetable-oil esters – for all its production equipment.

Synthesized from a vegetable oil and an alcohol, these new cutting fluids have scientifically proven lubricating properties and good resistance to oxidation. This solution is still not widely used in the industry due to its high cost. Rolex is also taking on a pioneering role in this field, using palm oil-free vegetable bases and raw materials sourced exclusively in Europe. A comparative life-cycle analysis with a vegetable-based oil that meets the qualification criteria is currently underway.

From 2025 onwards, the goal is that 100% of new movements brought to market by Rolex will be made with lead-free alloys due to the environmental and health impacts of this material.

ECO-DESIGN

Reducing the environmental impact of products

With a view to further reducing the environmental impact of its activities, Rolex is committed to integrating sustainability into the design of its projects. Eco-design principles notably affect the selection, development and optimization of materials, as well as services, manufacturing processes and performance, and quality management. This broad, cross-disciplinary approach relies on life cycle analysis to better understand and target opportunities for improvement.

LIFE CYCLE ANALYSIS

Life cycle analysis (LCA) measures the environmental impact of a product, process or service throughout its life cycle. This method has been widely proven in various fields and Rolex uses it to guide its choices in project design and to identify areas for improvement. The life cycle analysis of a product makes it possible to reconstruct the path from raw material extraction to recycling, through its manufacture, transport, distribution and use. Governed by international standards, this method quantifies and assesses the overall impact that a product can have on several environmental indicators, such as climate change, land resources, ecosystem quality or human health. These analyses can be used to approve choices or initiate change, whether regarding watches or related products, or in the context of new manufacturing processes.

For example, Rolex applied this method to develop new presentation boxes for its watches *(see Eco-friendly presentation boxes, page 59)*. An LCA also guided the selection of new materials to create the window displays used to present products.

Initial studies indicate that the quality of LCAs depends on the accuracy of the data used and the hypotheses chosen. They therefore require close collaboration between divisions (Purchasing, Support and Infrastructure, Production, Commercial, Research and Development, Impact and Sustainability). This collective effort makes it possible to consolidate the data needed for the various calculations as effectively as possible and to create a relevant reference framework.

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Life cycle analysis

CIRCULAR ECONOMY

Recycling all production waste

Recycling materials or residues used in production has great potential for the company to reduce its carbon emissions. For Rolex, this represents a real opportunity to take action to lessen its impact upstream of its supply chain.

With this in mind, the brand has been committed for several years to an initiative that helps recycle all its production waste. This particularly applies to metals such as gold, brass, copper, platinum or steel. For example, in 2023, recycling 1,395 kg of tungsten carbide at a cutting tool supplier made it possible to reuse all the tungsten present in the tools.

Rolex has set up a 'material analysis' programme to assess recycling opportunities. Ongoing work is focused on how petroleum-based elements can be replaced by other materials, such as bio-based polymers. The brand is also working on developing recycling and manufacturing technologies, while setting up direct distribution between production waste and raw materials.

At the same time, Rolex is taking steps to recycle and treat its waste. The brand has therefore acquired an incinerator to reduce waste containing precious materials (mainly gold) to ash and thus optimize its recovery. This equipment ensures optimum recovery of waste containing precious metals.

USING RECOVERED INDUSTRIAL GOLD

Derived from gold waste reclaimed in the production workshops, recovered industrial gold undergoes specific refining before it is reinjected into the watch manufacturing process.

Over the past decade, Rolex has introduced ways of limiting the losses associated with the use of precious materials as much as possible. A team of around 40 people is tasked with limiting these losses and has specific IT tools for this purpose. The brand also works with its suppliers to design equipment that makes it easier for operators to recover waste.

Gold stamping, machining and polishing generate a wide array of production waste, such as cuttings (gold alloy scrap that does not require any particular treatment before reuse); metal filings (gold alloy waste mixed with oil that requires spinning and washing before reuse); dust (present, for example, in cleaning cloths and polishing brushes); and fumes (which contain gold particles that can be recovered when cloths and brushes are incinerated).

Every gramme of gold that can be tracked down and recovered in production is extremely valuable because it represents one less gramme that has to be sourced from a mine, for example.

Rolex has a foundry that allows it to make its own castings reusing cuttings. The aim is to set up the most direct distribution possible to avoid the use of energy-intensive refining facilities, losses related to the refining process, and the impact of logistics.

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As for the metal filings, Rolex melts and shot-peens them, then delivers them to the refiners, who ensure they are homogeneous and identify their degree of purity (fine gold content).

In addition, Rolex has a furnace that enables it to convert certain waste into ash, in order to determine its gold content and minimize the weight to be transported for refining (a process during which the precious metals are extracted and reconcentrated in the form of pure metals). The brand itself recovers the gold dust present in the fumes.

These various initiatives have halved losses in the space of 10 years (0.4% in 2014; less than 0.2% in 2023).

RECYCLING OYSTERSTEEL

To reduce the carbon footprint associated with its Oystersteel supply chain, Rolex has launched a pilot project for recycling its own production waste in collaboration with its main supplier. As this has a higher content of alloy elements than conventional waste, its reintegration into primary castings makes it possible to significantly reduce the environmental impact. In this context, a total of eight test castings have been made since December 2022, improving the recycling rate by 10 points and reducing greenhouse gas emissions by 35%. The aim is now to achieve a 30% reduction in emissions by 2025.

FOCUS

CUTTING TOOL PACKAGING

To foster circularity in its waste streams, Rolex wants to give a new lease of life to the packaging plastic used for its cutting tools. This project aims to recover the packaging used and transport it in a closed loop to suppliers, who grind the material down and reinject it into the manufacturing of new packaging (recycling and reuse).

The recovery flow set up with three partners in Geneva and Bienne has already enabled 10% of the packaging to be reused.

By 2025, the goal is to recycle 90% of the non-reused packaging by grinding it down and reinjecting the material for the creation of new packaging.

CUSTOMER SATISFACTION

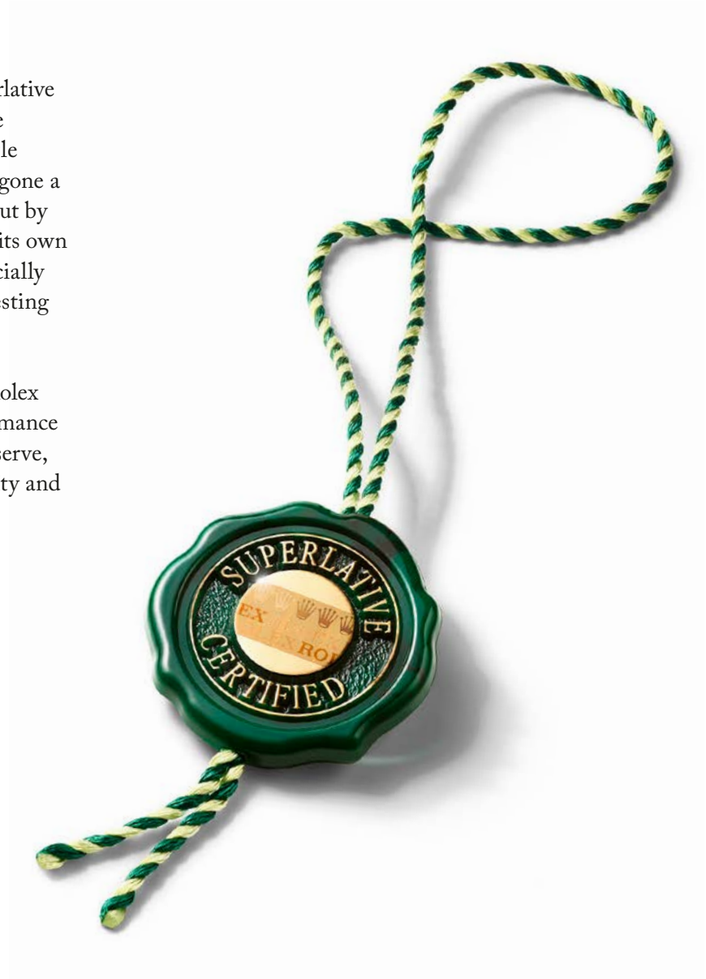
A relationship built on trust

In order to deepen the relationship of trust that it has always cultivated with its customers, Rolex has set maximum standards of excellence in all areas. This is why the brand pays as much attention to the quality of its products as to their reliability. Today, this ambition for excellence is evolving to incorporate topics surrounding sustainability into its business practices, from production processes to the rationale behind its commercial deployment. The result is extremely strict quality control and a system of irreproachable guarantees and maintenance services.

GREEN SEAL

Since 2015, all Rolex watches have been 'Superlative Chronometer' certified, a status of excellence symbolized by a green seal. This exclusive title confirms that the watch has successfully undergone a series of particularly demanding tests carried out by Rolex in its own laboratories and according to its own criteria, in addition to its movement being officially certified by the Swiss Official Chronometer Testing Institute (COSC).

This seal also attests to the compliance of all Rolex watches with its established quality and performance standards: precision, waterproofness, power reserve, self-winding, resistance to magnetism, reliability and durability.



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GUARANTEES

New Rolex watches have a five-year guarantee, while reconditioned and second-hand watches have a two-year guarantee. Rolex provides replacement spare parts for up to 35 years after the production of a model ends. Following this period, the brand manufactures specific replacement parts, as required.

35 YEARS
Availability of spare parts for after-sales service

To benefit from the Rolex guarantee, watches – new or second-hand – must be purchased from Official Rolex Retailers. Thanks to their skill and technical expertise, they guarantee the authenticity of each watch and ensure it functions correctly year after year. Specific maintenance programmes have also been established to service and replace components over time. Original spare parts are distributed from Geneva to all service centres around the world.

AFTER-SALES SERVICE

Rolex watches are designed to last. From the beginning, the brand set up a one-of-a-kind after-sales service with the aim of ensuring that products that last as long as claimed can be serviced worldwide, while limiting transport and processing times. This underlying demand for quality has allowed the brand to guarantee, from the very start, that all its watches are expertly serviced, and that their full performance is preserved over time.

3,550
People employed in after-sales service, including 1,100 in affiliates

450,000
Watches reconditioned every year

FOCUS

AFTER-SALES SERVICE WATCHMAKER TRAINING PROGRAMME

Launched in 2015, the After-Sales Service Watchmaker training programme aims to give young adults all over the world the chance to develop expertise in the after-sales service watchmaker profession. This 18-month training programme teaches the servicing of Rolex products and, secondly, provides access to development programmes. In 2023, 74 future watchmakers followed this training course worldwide, with 19 of them completing it in February. This brings the number of watchmakers trained during the year under review to 61. In parallel, the commercial teams have launched a process to standardize this programme. Ultimately, all Rolex affiliates will base their training on a single programme, Rolex Watchmaker Training, to which two complementary specific courses will be added: watchmaking operator and finisher.

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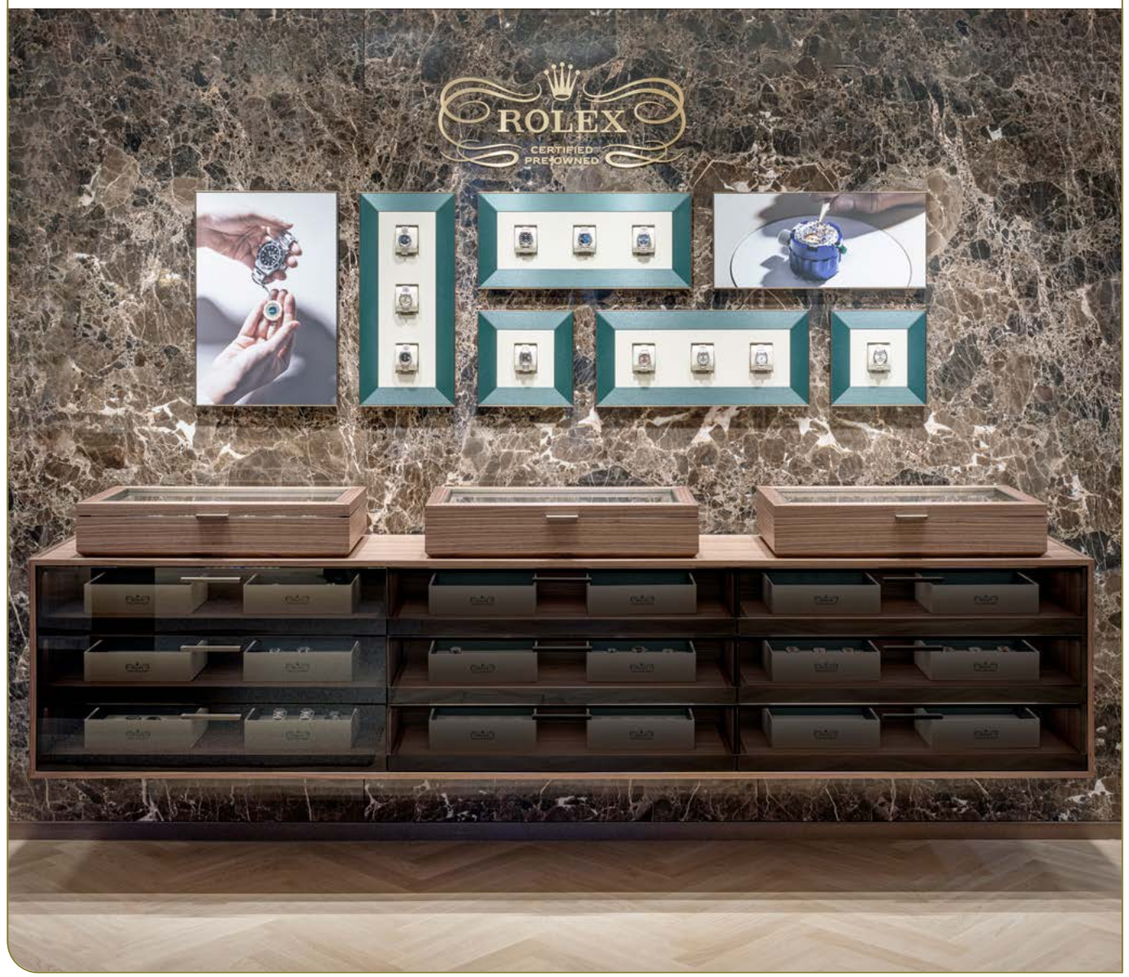
FOCUS

ROLEX CERTIFIED PRE-OWNED PROGRAMME

Rolex ensures that its customers can have long-term confidence in its products because its watches retain their value over time and can be safely resold with all their original qualities intact.

To this end, the brand launched the Rolex Certified Pre-Owned programme in December 2022 to give customers the chance to purchase second-hand models, which are certified and guaranteed by the brand, from its Official Retailers. These watches enjoy all the quality criteria and requirements that characterize the brand's products. They also have a two-year international guarantee. In practice, Rolex retailers can now buy used watches on the market, before entrusting them to the brand for certification. The maintenance programme is then implemented either by Rolex or an Official Retailer prior to resale in their store and on their website. This initially commercial initiative is now fully in line with the brand's approach to sustainability, which aims to give its products already in circulation on the market a second lease of life, with the idea of conserving and servicing them, and guaranteeing that they function properly over time.



THE ENVIRONMENT

For Rolex, reducing the impact of its business is a priority. With this in mind, the brand invests to sustainably control its consumption of resources. It has established various performance indicators to measure its overall carbon footprint and, for its industrial activities in Switzerland, control its waste production and environmental impact. Committed to a continuous improvement process, the brand has set greenhouse gas (GHG) reduction targets and will now prioritize the analysis of impacts upstream of its supply chain.

OUR STRATEGIC COMMITMENTS

Prioritize the analysis of the environmental impacts arising from raw-material extraction.

Implement company-wide initiatives to achieve the SBTi targets:
- *Reduce absolute emissions of scopes 1 and 2 by 42% by 2030 (vs 2021)*
- *Reduce absolute emissions of scope 3 by 25% by 2030 (vs 2021)*

Reduce the consumption and emissions associated with the brand's industrial and commercial activities.

Offset the residual impact of Rolex's activities by supporting high-quality projects.

CLIMATE CHANGE

Reducing greenhouse gas emissions

Industrial production plays an important role in the rise in the greenhouse gas emissions responsible for global warming. Rolex has been instigating measures for several years to limit its emissions and plans to step up its efforts by implementing a climate strategy.

In line with the Paris Agreement, the brand has set targets to reduce its greenhouse gas emissions by 2030. For the past 20 years, the brand has also been committed to implementing energy efficiency solutions tailored to the specific characteristics of its industrial facilities and equipment. Every transformation, like every acquisition, is thus carefully considered from this perspective.

Addressing this challenge means making structural changes within the company, in terms of its processes and policies. This includes the systematization of existing best practices, particularly in terms of production and, more broadly, waste management or soft mobility. The brand has trained its managers in these areas and actively involves its employees in them on a daily basis.

CARBON FOOTPRINT AND EMISSIONS MONITORING

Committed to reducing its environmental impact, Rolex conducted its first carbon footprint assessment in 2019. Since then, the company has annually measured the CO_2 emissions generated by its activities. However, the scope of the calculation is broader than what is presented in this report, as the carbon footprint includes not only Swiss entities – Rolex SA, Manufacture des Montres Rolex SA, Roldeco SA and companies affiliated to the Rolex group – but also its foreign service and distribution affiliates.

In 2023, Rolex's total carbon footprint was 1,996 kt CO_2 equivalents (CO_2e), 99% of which was attributed to scope 3[1], due in particular to the procurement of precious materials (gold, platinum, palladium and silver).

Rolex's total footprint decreased by 37% between 2022 and 2023 mainly due to decisions related to gold procurement (responsible for 31% of this reduction). This is the result of various initiatives, such as replacing part of the volume of mined gold purchased by residual gold, changing the range of mines towards less emissive sources and, finally, reducing the total volume of gold purchased.

[1] The Rolex group's carbon footprint is calculated according to the internationally recognized Greenhouse Gas Protocol, which harmonizes the measurement of greenhouse gas emissions and categorizes them into three scopes:

Scope 1 concerns direct GHG emissions from the company's internal sources and therefore under its direct control (e.g. vehicle fleet, gas leaks, fuel combustion in boilers, etc.).

Scope 2 covers the indirect GHG emissions associated with the purchase of electricity (e.g. energy provider) consumed within the company's structures.

Finally, **scope 3** includes indirect GHG emissions generated by the company's downstream and upstream activities, but which are not directly controlled or owned by the company. Scope 3 emissions generally account for the largest part of a company's carbon footprint.

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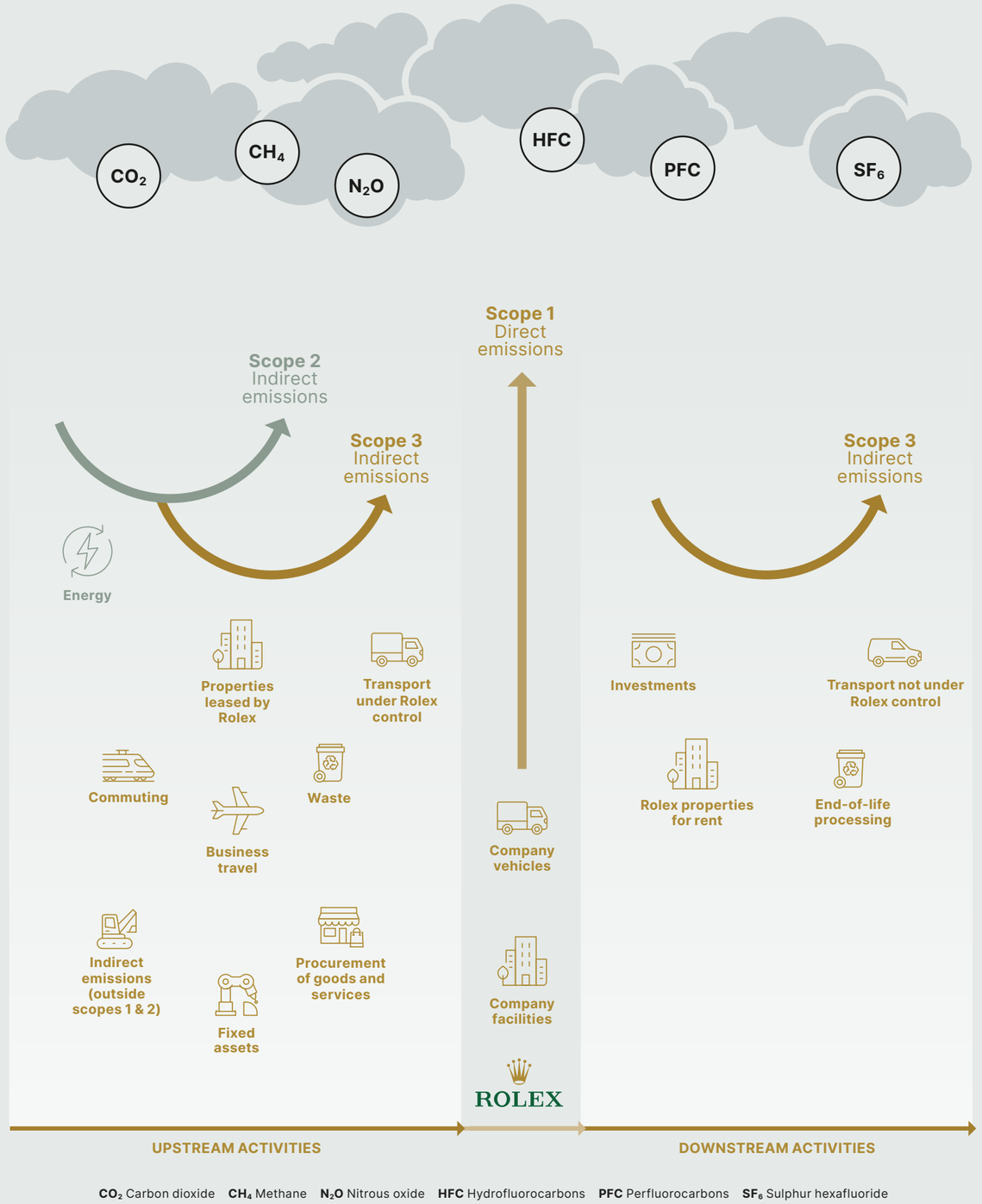
Scope of Rolex's carbon footprint



CO_2 Carbon dioxide **CH_4** Methane **N_2O** Nitrous oxide **HFC** Hydrofluorocarbons **PFC** Perfluorocarbons **SF_6** Sulphur hexafluoride

Rolex GHG emissions (in kT CO_2e)

		2021		2022		2023
Scope 1 total	**0.4%**	12 kt CO_2e	**0.4%**	12 kt CO_2e	**0.5%**	10 kt CO_2e
Scope 2 total	**0.4%**	12 kt CO_2e	**0.3%**	10 kt CO_2e	**0.5%**	10 kt CO_2e
Scope 3 total	**99.2%**	3,207 kt CO_2e	**99.3%**	3,128 kt CO_2e	**99%**	1,976 kt CO_2e
Excluding precious materials	**7.5%**	244 kt CO_2e	**9.6%**	304 kt CO_2e	**11%**	224 kt CO_2e
Precious materials	**91.7%**	2,963 kt CO_2e	**89.7%**	2,824 kt CO_2e	**88%**	1,752 kt CO_2e
TOTAL	**100%**	**3,231 kt CO_2e**	**100%**	**3,150 kt CO_2e**	**100%**	**1,996 kt CO_2e**

Scope 1
Most direct emissions come from production sites located in Switzerland. These are primarily generated by natural gas consumption and represent 0.5% of the brand's total carbon footprint, i.e. 10 kt CO_2e.

Scope 2
Emissions related to energy consumption affect both Swiss sites and foreign affiliates and make up 0.5% of the brand's 2023 carbon footprint, i.e. 10 kt CO_2e. The affiliates make a major contribution to the result (78% compared with 22% for the Swiss industrial facilities), as their energy mix is mainly derived from non-renewable sources. Efforts will therefore be made to reduce the share of fossil fuels in the medium term.

Scope 3
Precious materials account for 88% of Rolex's 2023 footprint. The impact of mined gold is the most significant (89.5%), followed by platinum (8.1%), precious stones (1.3%) and palladium (1%). The rest of the precious materials (residual industrial silver and gold) contribute less to the footprint (0.1%). This result is therefore encouraging the brand to focus its efforts on mined gold and platinum.

In addition, despite their significant environmental impact as reflected by their emissions factor, precious stones are purchased in very small quantities and therefore do not contribute significantly to Rolex's total carbon footprint. However, the brand remains extremely vigilant regarding their traceability *(see Traceability of precious stones, page 49).*

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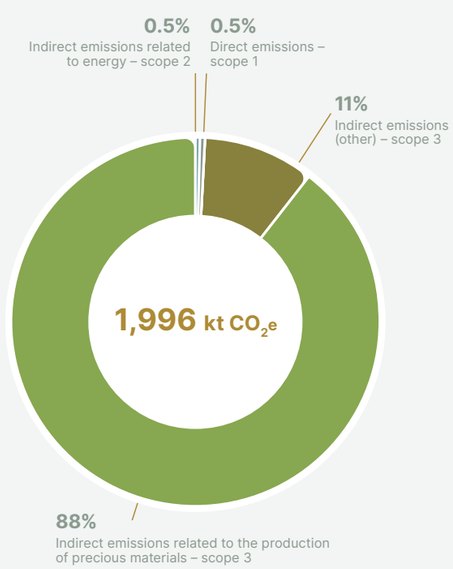
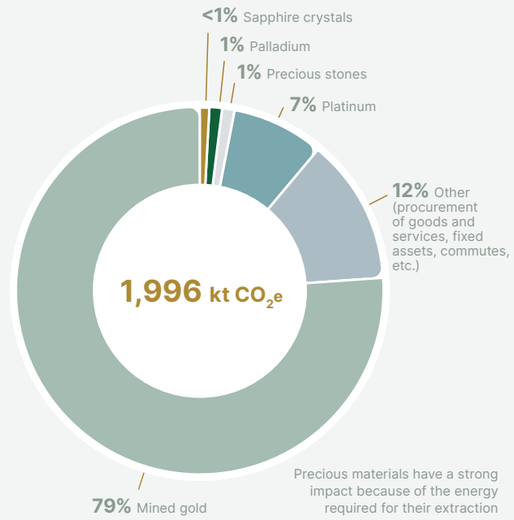
Distribution of emissions per scope



Distribution of emissions per main contributor across all scopes



Data quality
Rolex's carbon footprint provides an annual appraisal of the brand's greenhouse gas emissions. Results vary from year to year but confirm general trends over the past three years.

Mindful that the accuracy of the results of such an assessment must be based on detailed data, framework hypotheses and internal environmental analyses, Rolex has been committed to a continuous improvement process in this area since 2019.

Although uncertainties inherent to data, hypotheses or methodological changes inevitably remain, the creation of the footprint allows Rolex to focus on its most important emission categories, thus making it possible to prioritize reduction initiatives. Rolex therefore sees its footprint as a continuous improvement and strategic management tool.

A significant effort has been made internally in data collection to improve the confidence score of the results for the 2023 footprint.

The following points support the results obtained:

- Rolex follows best practices in carbon footprinting and reporting in accordance with the GHG Protocol. All categories applicable to the brand were included in the calculation of its latest footprint.
- The majority of data provided for Swiss sites is primary data. An internal results review and approval process has been in place since 2022.

The sources – such as the 'ecoinvent 3.9' database and Rolex's primary data – are robust and recognized.

CLIMATE POLICY AND THE SCIENCE-BASED TARGETS INITIATIVE (SBTi)

The Science-Based Targets initiative (SBTi) is a standardized method that encourages private companies to set credible CO_2 reduction targets in line with the Paris Agreement to keep the global rise in temperature below 2° C, or even below 1.5° C, compared to pre-industrial temperatures. It was launched in 2015 by the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute and the World Wide Fund for Nature (WWF).

In order to further implement its commitments to combat climate change, Rolex submitted its greenhouse gas reduction targets to the SBTi in December 2023, which subsequently approved them. Rolex group company TUDOR was also involved in this process.

The absolute emission reduction targets for 2030, compared to 2021, are as follows:

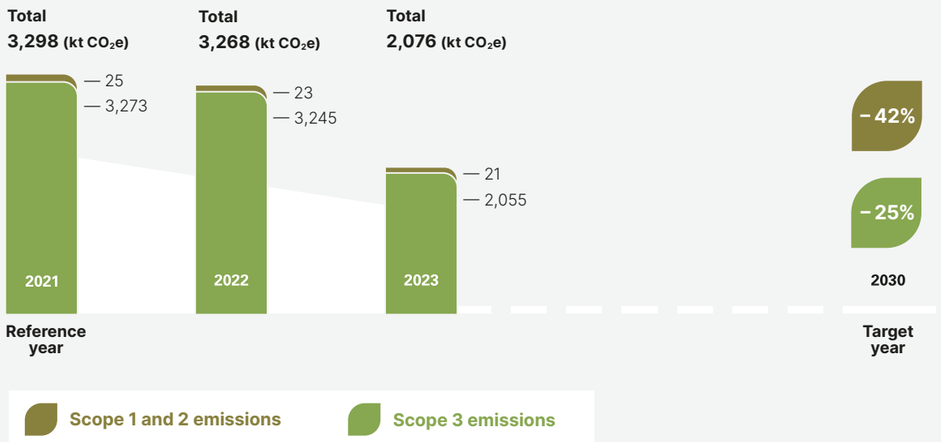
-42%
Scopes 1 and 2

-25%
Scope 3

In total, across all scopes, Rolex will achieve a 25% reduction in its absolute emissions by 2030, compared to 2021.

To achieve these goals by 2030, a climate road map is being created. This road map encompasses responsibly procuring raw materials, reducing the share of mined gold, transitioning from fossil fuels to renewables, purchasing efficient machinery and optimizing transport, mobility and packaging.

Rolex and TUDOR SBTi targets



The reduction in our footprint between 2022 and 2023 is mainly due to decisions related to gold procurement (replacing part of the volume of mined gold purchased by residual gold, changing the panel of mines towards less emissive sources and reducing the total volume of gold purchased).

ENERGY EFFICIENCY

Responsible consumption

Although Rolex's energy consumption has a minor impact on its carbon footprint, the company is improving its efficiency in this area every year. To do this, Rolex promotes responsible consumption in all its workshops and optimizes the performance of the production resources that consume the most energy. It is continuing and intensifying its efficiency efforts wherever possible, both at production sites and in administrative buildings.

BUILDINGS

The buildings at the Geneva sites (located near residential areas) and the Bienne site (situated in an industrial area far from the city centre) comply with different energy constraints and regulations. This may mean, for example, that certain heat production systems may or may not be installed in the administrative and industrial buildings.

Energy

From the early 2000s, the company decided to permanently stop using fuel oil to meet its heating needs. Today, Rolex's energy strategy is based on two key areas, fully aligned with the targets published by the Swiss Federal Energy Office:

— Developing alternatives to fossil fuels (including natural gas) by 2030 as far as possible;

— Guaranteeing that every kilowatt-hour distributed and consumed is used efficiently.

Heat pumps

Heat pump technology, which was non-existent just a few years ago, is now used in nearly all the buildings in Geneva. These pumps are enabling a gradual shift away from fossil fuels without requiring significant additional electricity: they replace existing cooling units and recover heat generated by production that previously dissipated into the atmosphere. In the context of new builds on suitably prepared plots, the company connects heat pumps to geothermal probes to further enhance their energy performance. This is the case for the upcoming building in Chêne-Bourg, as well as the Les Petits Chronos company crèche, which is Minergie-ECO-certified and located in Geneva's Pont-Rouge district. Technical spaces have also been reserved to eventually be able to connect new heat pumps to a remote heat exchanger network, depending on the opportunities that arise.

Coolants

Older-generation coolants have a severe impact on the environment, particularly the ozone layer, if they leak into the atmosphere. For several years, Rolex has met and exceeded legal requirements by systematically replacing equipment containing coolants with new-generation machines running on refrigerants that have a lower environmental impact. In time, all the cooling systems used in cafeterias and cold rooms will be equipped with machines that run on CO_2. This new equipment also makes it possible to produce most of the company's domestic hot water without using fossil fuels.

Natural gas

Natural gas, which pollutes less and emits less CO_2 than fuel oil, is still widely used at Rolex's industrial sites in Switzerland. A transition energy by definition, this energy carrier must gradually be replaced by more sustainable solutions. However, residual energy consumption (the minimum amount of energy consumed permanently by a building) will persist in the oldest buildings during periods of extremely cold weather. Nonetheless, all gas supplied by Services Industriels de Genève is offset in terms of CO_2 using quality certificates controlled by Société Générale de Surveillance (SGS).

FOCUS

ENERGY MONITORING OF BUILDINGS IN SWITZERLAND

The monitoring of building installations (heating, cooling, ventilation, etc.) makes it possible to collect data about a site's energy consumption. Once analysed, the data allows an action plan to be put in place. In Bienne, the action plan aims to halve the amount of energy required to heat 1 m² within 10 years. In concrete terms, these results are achieved by linking networks as closely as possible, optimizing building regulations and systematically replacing ageing equipment.

In Geneva, thanks to monitoring and the implementation of a continuous improvement process in the production workshops, the gains achieved this year are around 1,818 MWh in Plan-les-Ouates and Chêne-Bourg (which, in total, is the equivalent to the energy consumption of more than 600 households in Geneva). This result illustrates the collective ownership of the topics and the maturity of the process within production. Continuing this momentum, the same tools and approach are scheduled to be rolled out at the Acacias site in 2024.

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Pellets

In Bienne, pellet boilers have replaced all gas boilers to reduce the use of fossil fuels. Today, almost all the buildings are equipped with them. However, some gas boilers have been kept to serve as emergency units. As part of this change, Rolex's ambition is to guarantee a supply of local pellets, derived from the natural renewal of Swiss forests and unused forest residue. Rolex currently uses around 1,000 tonnes of wood per year across its entire Bienne site, sourced from forests in the Jura and Fribourg cantons.

Biogas

Since 2022, in partnership with the city of Bienne, all the biogas consumed by the production site is generated by local wastewater treatment plants (WWTPs).

Electricity

In Switzerland, Rolex favours electricity produced by hydroelectric power plants to ensure it consumes as much decarbonized electricity as possible. The company has also installed solar panels at all its sites.

10,687 M²
Total solar-panel surface area deployed at Rolex sites

1,455 MWH
Annual electricity production

134,214 MWH
Annual electricity consumption

Certifications

Since 2021, Rolex has been working on the environmental certification of its buildings. These efforts will continue in relation to transformation or renovation projects and during the construction of new buildings. In this context, several buildings have already obtained the Minergie label. In 2023, the Acacias site in Geneva obtained the BREEAM In-use label, which is issued to buildings already in use. The Chêne-Bourg and Plan-les-Ouates sites will follow in 2024. The future Rolex site in Bulle scheduled for 2029 is aiming to achieve BREEAM's outstanding certification, making it the first Swiss industrial building of this scale to receive the distinction. In Bienne, almost all the buildings are Minergie-certified. These buildings are also aiming to obtain BREEAM In-use certification by 2024.

Digital sobriety

When it comes to information systems, Rolex has put in place a sustainable approach supported by a managerial structure and resources dedicated to reducing environmental impact. The brand has thus created reference databases to address corporate social responsibility-related decision-making, reporting and analysis topics, and the provision of management tools in line with the company's sustainability goals. Rolex raises awareness and trains all its employees on the challenges of using digital technology responsibly. The company has also incorporated specific criteria for its procurement, and measured the environmental footprint of its IT equipment in order to initiate actions for improvement.

Consumption targets have been defined as part of the restructuring of Rolex's data centres, including reduced floor use (–50%), optimized server use, and a raised temperature threshold of spaces (from 18° C to 25° C) to secure an energy gain of 30%. The new or renovated data centres will all be operational by the end of 2025 in Geneva and the end of 2026 in Bienne.

INDUSTRIAL FACILITIES

Limiting the impact of production

By revising the buildings' technical installations and optimizing their regulation, Rolex has made significant progress in terms of energy efficiency. The brand has carried out two major campaigns to optimize production equipment, either by integrating eco-design in the acquisition of new equipment, or by modifying existing equipment to make it more energy efficient. This approach is now systematized within the company and broken down into different processes.

EQUIPMENT OPTIMIZATION

As part of the plan to renew industrial facilities and boost production capacities, equipment optimization consists of investing in new-generation production methods to reduce the environmental impact of the company's activities. In partnership with suppliers based in Switzerland, a new machining tool has been developed based on ambitious reduction targets, such as electricity consumption, the quantity of oil used, the mass of the machine or the floor area it occupies.

Intended for machining bracelet link elements, this new tool adopts a tried-and-tested concept, optimizing it further in terms of productivity (+20%), power consumption (–25%), useful oil volume (–50%) and floor space (–40%). With regard to electricity consumption, the projected gain for the industrial facilities in 2026 is estimated at 100 MWh per year. The first machine is in the assembly and fine-tuning phase, with delivery scheduled for mid-2024.

SUSTAINABLE PRODUCTION METHODS

The way in which production methods are designed is significant in determining how they affect the environment. The specifications behind their manufacture are therefore crucial in achieving significant improvements. Rolex now considers the acquisition of new industrial equipment through a sustainable lens throughout its entire life cycle, from its creation, through its use and maintenance, to its recyclability.

In 2021, the brand launched a comprehensive strategy to this effect that aims to add the 'environmental impact' component to the acquisition process. It also offers specific training for those in charge of renewing production resources. This is an important paradigm shift, because purchasing criteria were hitherto based solely on quality, timescale, cost and performance considerations.

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FOCUS

A NEW MICRO-MILLING CONCEPT

An innovative micro-milling concept designed for machining dial plates and created as part of the EcoSwissMade programme from the Haute École Spécialisée de Suisse Occidentale (HES-SO) University of Applied Sciences and Arts of Western Switzerland, targets reductions in electricity consumption (–80%), useful oil volume (–95%) and floor space (–65%). In terms of electricity consumption, the reduction across the industrial facilities is estimated at 170 MWh per year. The first tests carried out in 2023 confirmed the concept's potential and its industrial development is continuing in 2024.

TRANSPORT AND MOBILITY

Optimizing vehicles and business travel

As an important link in Rolex's logistics system, the transportation of goods and merchandise – between production sites, suppliers, affiliates and retailers – represents a significant part of the company's overall carbon footprint. In this area, air transport holds a prominent place in the company's reduction road map. Several projects are targeting this reduction, such as the regional production of sales and marketing accessories, as well as printed materials or the use of sea, road or rail transport whenever possible. Finally, a special effort has been made to reduce the weight of transportation packaging in order to minimize its impact on transport-related greenhouse gas emissions.

At the same time, Rolex has begun to transform its vehicle fleet to reduce its emissions as much as possible in Switzerland: of the 75 vehicles currently owned by the company, 19 of the 35 passenger vehicles[1] and 6 of the 30 small vans are electric[2]. Of the 7 heavy goods vehicles owned by the company, 3 of them now run on gas. To date, the company has also installed 48 electric-car charging stations in its various car parks in Switzerland. Electric bicycles are also available at each site.

It should be noted that the travel regulations defined by the company for business trips incorporate sustainable development principles. The Travel Department responsible for organizing this type of travel ensures that it offers the most environmentally friendly transport options possible.

As part of its commercial activities, Rolex uses private aviation. The brand's international presence as well as the growth and management of its business activities require such travel. Rolex fully offsets the CO_2 emissions generated by this type of travel through the purchase of certified carbon credits.

MOBILITY PLAN

Rolex has undertaken to reduce the greenhouse gas emissions from commuter journeys by implementing a mobility plan. Launched in 2021, this plan initially consisted of an offer focused exclusively on soft mobility and public transport (contribution to train season tickets, free local public transport, subsidies for the purchase of a bicycle).

In 2022, the introduction of a paid parking system for solo drivers led to a sharp increase in the uptake of public transport and soft mobility options. This measure also encouraged carpooling by offering preferential conditions.

[1] Passenger vehicles are used by employees to travel between sites or to other destinations within their region as part of their work, when public transport is not compatible with their requirements.

[2] Small vans and heavy goods vehicles are used for the daily transportation of goods.

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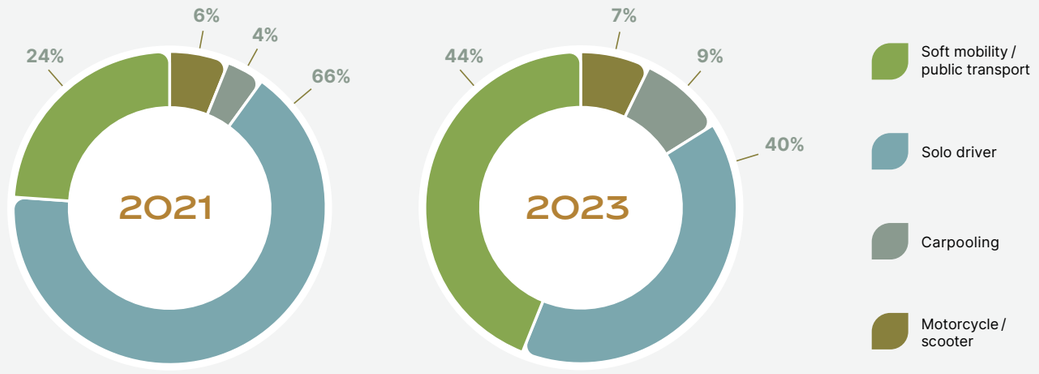
Distribution of the mobility options chosen by employees



The data were calculated on the basis of the number of employees. This varies from one year to the next.

Before the mobility plan was rolled out, private cars were the main mode of travel with more than 3,100 people having access to a car parking space. The mobility plan has therefore significantly reduced the share of solo drivers: –37% between 2021 and 2023.

Travel related to soft mobility (public transport, bicycle, by foot) has more than doubled in two years, from 24% to 44%. This trend prompted the company to create 290 additional parking spaces for bicycles and 80 for scooters at the Geneva sites.

FOCUS

PROMOTING CYCLING IN GENEVA AND BIENNE

To encourage the uptake of soft mobility options among its employees, Rolex has been offering an incentive of CHF 0.30 per kilometre commuted to work from home by bike since October 2023. Capped at CHF 1,200/year, this scheme complements the current mobility plan but does not include travel between sites.

A day was also organized in June 2023 inviting employees (around 1,200) to cycle to the company's various sites along a marked route.

The 'bike to work' initiative attracted 320 participants in Geneva and 136 in Bienne in 2023.

As at 31 July 2024, 1,541 company employees travelled by bike. In total, Rolex employees in Geneva and Bienne have already travelled 1,264,353 kilometres by bike following the implementation of soft mobility initiatives.

WATER MANAGEMENT

Preserving water resources at every level

Water management at the various Rolex sites in Switzerland is well managed.

Neither the canton of Geneva nor the region of Bienne are considered to be water-stressed areas. Despite its good record, the brand is seeking to improve its performance in water management by implementing consumption reduction, treatment and discharge measures.

To reduce its water consumption, Rolex has implemented several successful initiatives, such as setting up closed-loop systems and installing devices for water metering and leak detection. The company has also undertaken to redevelop its green spaces with hardy species that require less water.

These efforts combined have saved more than 100,000 m^3 of water per year over the last 10 years in Geneva. This work will continue, as Rolex plans to further reduce its water consumption by 5% by 2027 and 10% by 2030.

In Switzerland, Rolex is subject to the Federal Waters Protection Ordinance (WPO) of 28 October 1998. All water is collected separately. Water that does not comply with discharge standards (heavy metals, hydrocarbons and other pollutants) is pretreated at internal treatment plants in order to meet the relevant legal requirements.

In Geneva, the environmental impact of sewage discharge is very low due to the highly effective pre-treatment system put in place for water potentially containing metals or hydrocarbons. In 2023, nearly 11,000 m^3 of water (21,000 m^3 in Bienne) – used either in a process or for floor cleaning – was pretreated at five internal wastewater treatment plants (WWTPs) before being discharged.

All water discharged as wastewater is then subsequently treated at cantonal WWTPs and released into local river systems. This decontaminated water is thus returned to the catchment area from which it was initially drawn. Discharges from any new activity or process are systematically analysed. In this context, no non-compliances were recorded in 2023.

In 2023, state-run inspections of Rolex's Swiss sites ensured the compliance of discharged water. It should be noted that the brand has established its own monitoring measures to analyse the metal content of discharged water.

473,730 M^3
Annual volume of water withdrawn

Mindful that the topic of water management lies further upstream in its supply chain, Rolex will launch a 'water footprint' in 2024 to assess the risks and identify improvement measures in this area.

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PROTECTING BIODIVERSITY

Making progress to save the natural world

Situated in urban and industrial areas, the production sites are not located near protected areas. Nor do they affect the habitats of endangered species. As they do not emit non-compliant effluents or fumes, their impact on the natural environment is low. In this context, the implementation of regular checks makes it possible to respond quickly in the event of non-compliance.

In 2023, Rolex signed the Geneva Garden Charter. It has launched several initiatives to enhance its sites' green spaces and protect indigenous fauna and flora. It has reduced mineral surfaces, turned intensive areas into extensive areas, created wetlands, replaced lawns with flower meadows and native hedges, and introduced nesting boxes and hives.

For several decades, the brand has also carried out impact studies when planning any new builds. This is the case, in particular, for the brand's future site in Bulle, which will cover nearly 200,000 m^2. The project provides exemplary measures to compensate for the impacts of construction on the current environment. The development of planted drainage channels[1] will, for example, help to reinforce biological continuums, and a wide variety of structures that promote biodiversity will also be deployed as part of these efforts.

3.7 HECTARES
Planted surface area across the Geneva sites

Most of Rolex's impact on biodiversity is indirect, as it is concentrated upstream of its activities in Switzerland. The brand will now measure this impact across its value chain. This work will begin shortly with the analysis of data regarding the gold mines in its supply chain.

Biodiversity has always been an important topic for the brand, which has been funding projects related to the protection of fauna and flora as part of its Perpetual Planet Initiative for many years. In 2023, for example, it supported conservation projects in Côte d'Ivoire and northern China, as well as reforestation initiatives along the Andes Mountains.

[1] Drainage channels are shallow ditches designed to concentrate and transport run-off water while removing debris and pollution. These biological channels can also be used to replenish groundwater.

AIR POLLUTION

Respecting standards

On this specific topic, Rolex's impact in Switzerland is mainly due to emissions from gas boilers (NOx) and pellet boilers (fine particles, PAHs) whose emissions are controlled in accordance with the requirements of the Federal Ordinance on Air Pollution Control (OAPC) of 16 December 1985. In this context, checks are regularly carried out and no cases of non-compliance have been recorded.

Rolex has a special facility designed to burn waste containing precious material to enable its recovery. This furnace is equipped with a fume treatment system and measuring devices that continuously monitor certain emissions. Here too, the emissions measured during official checks comply with regulations.

The industrial sites use many products that generate volatile organic compounds (VOCs). In 2023, VOC consumption was 164 tonnes and diffuse emissions amounted to 70 tonnes. Rolex strives to limit these emissions by implementing activated carbon treatment systems and modernizing its equipment. The company is committed to reducing its VOC emissions by 25% by 2027 and 50% by 2030.

Rolex also refrains from using any ozone-depleting substance according to the Federal Chemical Risk Reduction Ordinance (ORRChem) of 18 May 2005.

WASTE

Controlling flows

In Switzerland, Rolex monitors its waste monthly (weighing before collection and checking the weight according to suppliers' invoices). It maintains a register that allows precise tracing and monitoring of each type of waste, to the nearest kilogram.

The brand also ensures that its suppliers comply with Swiss waste management legislation, notably the following two ordinances: the Ordinance on the Avoidance and Disposal of Waste and the Ordinance on the Movement of Waste.

NON-HAZARDOUS INDUSTRIAL WASTE

Non-hazardous industrial waste includes all non-inert and non-hazardous mixed waste produced by an industrial activity.

2,250 TONNES
Non-hazardous industrial waste

864 TONNES
Production waste

876 TONNES
Special waste

PRODUCTION WASTE

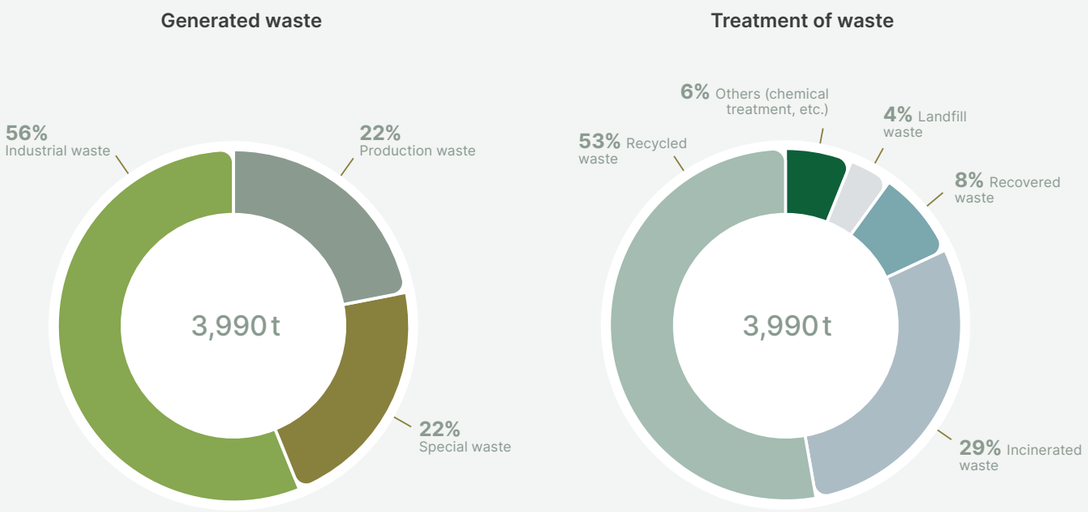
This waste largely consists of two materials: 904L steel and brass, both of which are fully recycled.

SPECIAL WASTE

Waste is classified as 'special' when it requires special treatment to be disposed of in an environmentally friendly manner. Due to its composition, physico-chemical or biological properties, it requires a set of specific technical and organizational measures. All special waste is processed in Switzerland in accordance with the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

PLASTICS AND PET

Several years ago, Rolex launched an extensive programme to eliminate plastic cups and bottles at all its sites in Switzerland. Today, introducing these various solutions has enabled the brand to roll back its annual PET consumption by five million cups and 160,000 bottles.



PACKAGING

Rolex strives to integrate eco-design into its processes. Training and tools are thus provided to help teams assimilate new working methods. The aim is to reduce environmental impacts throughout the life cycle of packaging, whether used in production, transportation, storage or shipping.

In 2022, this approach resulted in the introduction of new packaging for sending watches to affiliates and retailers. As part of this project, PETG plastic has been replaced by Forest Stewardship Council (FSC) cardboard. This decision meant that the production and shipping of 70 tonnes of PETG was averted in 2023. A second step, involving an insert made from an ecological cellulose-based material, is currently under review. This material has passed the first in-house laboratory tests. An industrial phase is now underway to ensure it can perform the required functions, including safeguarding the integrity of our various watch models throughout the shipping process.

The same approach has been used for sending spare parts abroad. The PETG boxes used for this shipment will be gradually replaced by FSC cardboard boxes from 2024. A second phase of the project will consist of redesigning the blister packs used to package parts following eco-design principles. From 2025, Rolex intends to reduce its use of plastic for this type of packaging by almost 25 tonnes.

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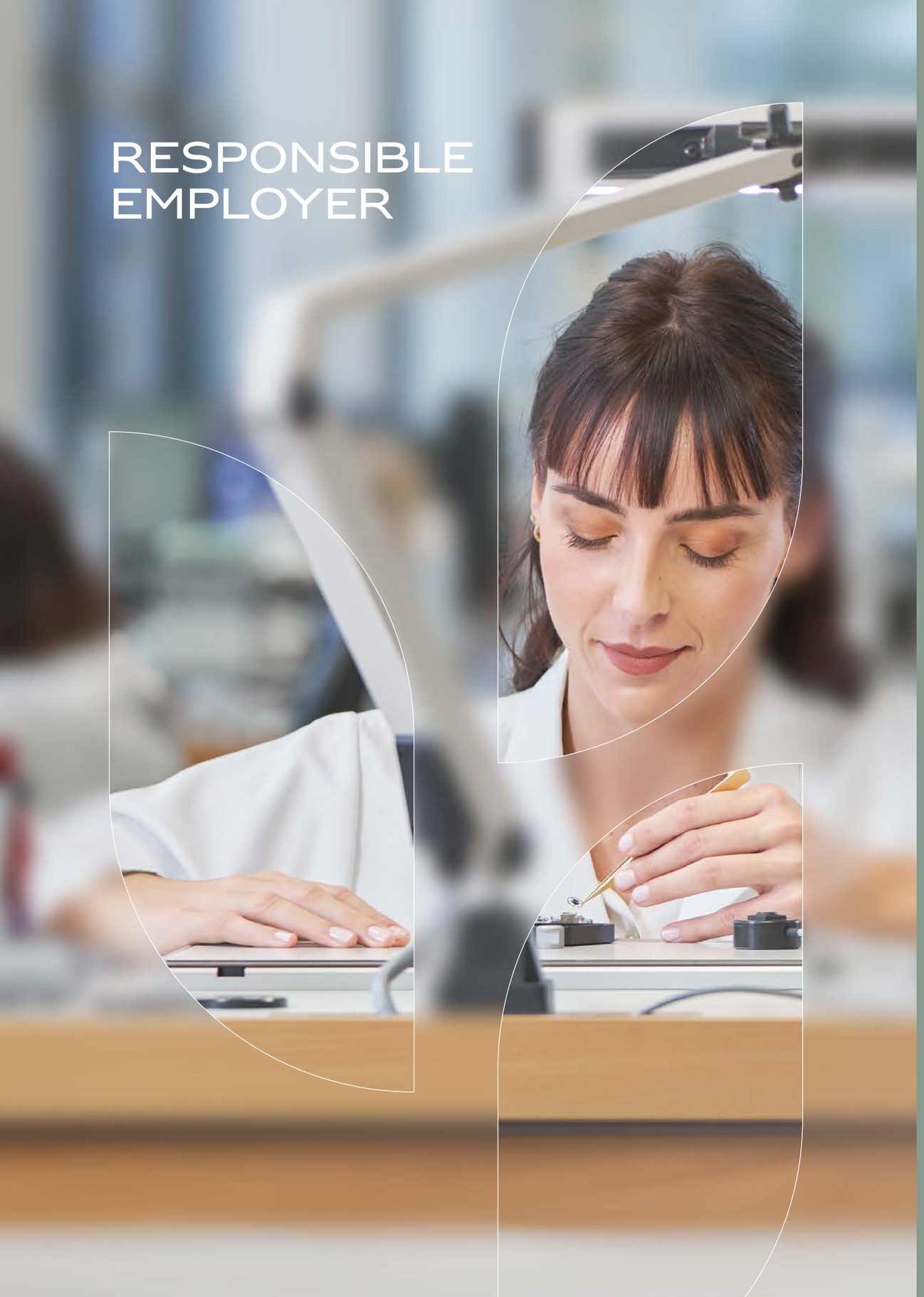
FOCUS

TRANSPORT AND STORAGE OF DIALS

The packaging used to store, protect and transport Rolex watch dials between the different production sites represents an annual consumption of 20 tonnes of polypropylene and produces 59 tonnes of CO_2 emissions. After use, Rolex grinds this packaging down and sends it back to a wholesaler for recovery within a recycling channel.

To further improve control of its end-of-life use, two complementary projects are being studied: one for packaging reuse and one for reusing the material internally. This should reduce its impact tenfold.

RESPONSIBLE EMPLOYER



RESPONSIBLE EMPLOYER

Human capital and industrial expertise are a company's two greatest assets. In this sense, Rolex is committed to offering its workforce optimal working conditions, solutions to ensure a healthy work-life balance, well-being initiatives and opportunities to enable every employee's personality and skills to shine.

OUR STRATEGIC COMMITMENTS

Integrate the skills expected by promoting equal access to all forms of diversity.

Reinforce the company's excellence as an employer, making every Rolex applicant and employee a brand ambassador.

Promote internal mobility and succession management.

EMPLOYEE HEALTH, SAFETY AND WELL-BEING

Working in a safe and healthy environment

The organization and technical resources implemented by Rolex meet its high standards in terms of health and safety risk prevention and management. Guided by specialists – occupational physicians, company nurses, psychologists, safety engineers and health and safety experts – this initiative covers all activities carried out at the brand's sites. Its aim is to ensure that everyone working on the company's premises enjoys optimum working conditions that guarantee their health, safety and well-being.

In this context, the Occupational Safety Department guarantees compliance with regulations. It also provides expertise and raises awareness. The company's managers oversee compliance with applicable and applied rules while ensuring that those concerned by specific risks receive the necessary training. Employees, meanwhile, are committed to correctly following Rolex's directives on occupational safety and security.

The health and safety management system covers all staff. The company also ensures that external parties comply with legal requirements and, when required, the company's own rules. By signing Rolex's Sustainable Development Charter, partners pledge to respect the legal health and safety framework when carrying out their business activities.

RISK PREVENTION

Rolex has rolled out safety processes for all its business lines. The aim is to identify and assess risks at the earliest stages of projects and to implement preventive and/or corrective measures. The company informs its employees about the risks specific to certain activities or potentially dangerous manufacturing processes. This is the case for exposure to hazardous substances, the use of which is also subject to an internal approval process.

Measurements are taken regularly at all sites with the help of external experts. For example, a complete mapping of noise exposure levels was carried out in the production workshops. This made it possible to formulate internal rules on noise emissions that are more stringent than the legal recommendations, which were then communicated to equipment suppliers to be taken into account at the design stage. In parallel, a new IT tool dedicated to reporting hazardous situations is being developed to improve the existing process.

In terms of health protection, various procedures are deployed, particularly with regard to ergonomics and the working environment. They focus on managing noise-related stress, protecting staff hearing, and overseeing lighting and workstation layout. Preventive medical examinations can also be carried out in case of skin problems, poor management of biological rhythms due to night shifts, or for maternity follow-up, and so on. A preventive eye-care campaign was also rolled out in some workshops in 2023, offering eye tests and glasses to those who needed them.

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WORKPLACE ACCIDENTS AND EMERGENCY MANAGEMENT

The workplace accident frequency rate for Rolex employees in Switzerland is 3.2 per 1,000,000 hours worked.

In 2023, no serious or fatal accidents were recorded via the system for reporting and managing work-related incidents and accidents. Moving around within the company is the main cause of occupational accidents. In the workshops, the finishing stations generate the most incidents.

The safety teams intervene whenever an unexpected event occurs, analysing the reasons for it and adapting safety concepts as needed. An in-house first aid team – the company's first responders – provide emergency care.

Rolex did not record any occupational illnesses at its sites in 2023.

WELL-BEING AT WORK

Internally, employees can rely on a Health Division that includes company nurses and occupational psychologists. Every employee can request the support of an occupational physician and professionals from the social sector. Representatives from Human Resources and members of the Staff Committee are also at their disposal.

In 2023, Rolex signed a partnership agreement with the Otium Foundation, whose mission is to improve the quality of life of people directly or indirectly affected by cancer. All employees and those living in the same household can therefore benefit from the Foundation's support in the event of illness. It assists affected employees with their return to work post-treatment, and offers support to their professional entourage.

FOCUS

IN-HOUSE DEDICATED SAFETY TRAINING

A training course on safety culture, specifically aimed at management, was launched in 2023. Its aim is to increase managers' awareness and knowledge of safety topics, with particular emphasis on their role in reporting incidents and hazardous situations. More than 100 people, at various hierarchical levels, were trained over two days on this subject in 2023.

It should be noted that all new employees joining the company are trained in a 'safety' module. General and specific training on risks (chemicals, working at height, maintenance and ergonomics) is also provided on a regular basis.

Part of the hazard mapping process involves identifying training specific to high-risk areas, such as electroplating (the process of using electrodeposition to coat an object in a thin layer of metal).

PSYCHOSOCIAL RISK PREVENTION

In keeping with its core values, Rolex creates a healthy, safe and respectful working environment that promotes the physical, mental and emotional well-being of all company employees. To achieve this, Rolex implements policies, programmes and resources to support employee fulfilment on a professional and personal level, and is committed to a process of continuous improvement.

Since 2023, managers have benefited from specific training on psychosocial factors, with particular emphasis on the themes of stress management and prevention, personal integrity, diversity and inclusion. To date, 170 managers and executives have taken the basic course. There are plans to extend this work on raising awareness to all management staff and employees.

In addition, Rolex offers support to all its employees who are experiencing personal or family difficulties related to health, finance, the authorities, public services or other social bodies. In this respect, it offers them social support through independent organizations whose advisers deal with a wide range of topics including divorce, debt, funding for higher education, long-term illness and support for carers. There is also an addiction support procedure.

HARASSMENT

Rolex has specific guidelines set out in its applicable internal regulations, internal services and a dedicated process to prevent, deal with and monitor cases of harassment. Mechanisms for identifying and handling cases are in place through human resources management and monitoring practices. When a situation arises, the measures taken focus on protecting the victims first and foremost, and on adapting the organization and implementing proportionate penalties for those responsible for violating personal integrity.

Any employee experiencing harassment can also turn to trusted external partners, who specialize in dealing with this topic. Since 2024, an alert system set up by the company also enables cases to be reported anonymously and recorded via a secure third-party platform.

FOCUS

WORKSHOP ERGONOMICS AND EXERCISES

To help prevent musculoskeletal disorders and promote well-being in the workplace, height-adjustable workstations are installed as a matter of course when administrative areas are reorganized.

In the same vein, Rolex has developed a specific workstation called Ergoflex to enable operators to adopt the postures that are best suited to their personal constraints and activities. This workstation has been rolled out in the final assembly areas and has received excellent feedback. Rolex has also worked with sports coaches to develop a programme of stretching and strengthening exercises in certain workshops. Exoskeletons are also being tested to help employees perform certain tasks.

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COMPANY'S ATTRACTIVENESS, TALENT ENGAGEMENT AND RETENTION

Offering a motivating working environment

In keeping with its core values, Rolex has always sought to create a stimulating working environment and attractive conditions without ever compromising on quality. As such, the company regularly features at the top of the rankings of Switzerland's best employers. This ranking highlights the reputation, expertise and working conditions specific to the watchmaking sector, as well as the ability of the industry's players to create jobs.

Rolex provides its employees with conditions that are conducive to their professional and personal fulfilment and a good work-life balance. In this context, the brand has a strong corporate culture in which respect takes pride of place. It offers long-term direction and a clear and sustainable strategy that gives work meaning. Drawing on a caring management culture, the company involves all its employees in its success and fully incorporates the human element into its operations. Skills development is also valued to ensure career progression.

<5%

Staff turnover rate recorded in 2023, three-quarters of which were retirements

1,102

Number of people hired on a Rolex contract in Switzerland in 2023

Examples of advantages:

- An exceptional working environment and conditions (adapted workstations and state-of-the-art technological equipment), etc.
- Flexible working hours (remote working, part-time work, flexitime).
- Retirement support (seminar, early retirement at 60, retirees' club).
- Numerous social benefits (pension fund, cover for non-work-related accidents, access to private healthcare in the event of accidents, insurance for loss of earnings due to illness).
- A company crèche *(see Company crèche, page 95)*.
- Subsidized company restaurants.
- Etc.

COMPANY PENSION

As a responsible employer, Rolex has always been a pioneer in pension provision for its employees, offering exceptional benefits that go well beyond the legal minimum and are largely financed by the company.

In order to standardize and extend its company pension benefits, Rolex has integrated the employees and pensioners of Manufacture des Montres Rolex SA into the joint pension fund of Rolex SA and affiliated companies (known as the CPP). As a result of this integration, employees in Bienne benefit in particular from a substantial improvement in retirement benefits as well as advantageous conditions for early retirement, such as a temporary – 'AVS bridge' – pension.

Finally, as part of its investment management, the CPP invests in companies or projects that create long-term economic value while promoting environmental, social and governance (ESG) best practices. This year, for the first time, the CPP is publishing a sustainability report on its investments, drawn up in accordance with the recommendations of the Swiss Pension Fund Association.

FOCUS

COMPANY CRÈCHE

LES PETITS CHRONOS

In 2022, Rolex opened a company crèche called 'Les Petits Chronos' for the children of its employees. With a capacity of 64 places, it is run by 'pop e poppa', a non-profit company specialized in early childhood and committed to an approach that advocates eco-citizenship (notably in terms of sustainable construction, consumption, mobility and food). Within this framework, the crèche routinely selects local, environmentally friendly suppliers as a priority.

The company recorded 114 maternity leaves and 178 paternity leaves in 2023.

DIVERSITY, EQUITY AND INCLUSION

Encouraging diversity at all levels

Diversity, equity and inclusion are priority topics for Rolex. Aware of the potential attached to diversity within managerial functions and technical professions in particular, the company is taking new measures to increase diversity at every level.

In the technical professions, for example, efforts to increase the number of women in the workforce involve paying greater attention when sourcing applicants and showcasing women's profiles at student forums or when giving presentations at schools.

By gender

56.9% Men

43.1% Women

By gender at management level

81.4% Men

18.6% Women

9,906
Employees in Switzerland

SALARY POLICY

Equal pay is a priority topic for the company and, for several years, it has been the subject of a policy deliberately designed to support gender equality. Today, Rolex's work in this area is paying off, as the audit carried out by an independent body in 2023 concluded that the ratio of basic salary and remuneration of women to men was respected. This means that Rolex meets the requirements of the revised Federal Gender Equality Act (GEA) and the ordinance on the verification of equal pay analysis for large companies. The company used the Logib software recommended by the Swiss Confederation to complete its calculations.

NON-DISCRIMINATION

As a global company, Rolex recognizes diversity of experience, perspective and talent. It also ensures it includes people from all backgrounds. In this context, the brand's employees are treated fairly, without discrimination on the grounds of gender, religion, ethnic origin, age, sexual orientation or disability of any kind.

Internal guidelines, such as the code of conduct and staff regulations, provide a framework for this policy, and new training courses are being developed to raise awareness of this topic among all management staff and teams. Once a year, during a progress interview with their manager, each employee also has the opportunity to discuss their personal and professional development.

INCLUSION

Rolex has created an inclusive working environment with facilities that are accessible for people with disabilities, as well as a policy to integrate people with learning difficulties or emotional disorders into the workplace. For many years, the brand has also cultivated partnerships with various social institutions, such as the PRO foundation in Geneva, which specializes in integrating people excluded from the job market, particularly in the packaging sector. In 2023, Rolex contributed to the employability of some 663 people within this foundation. The brand has also been taking on trainees and apprentices with special needs for several years, supervised by the Battenberg Foundation in Bienne. This long-standing collaboration received the Prix Passerelle d'intégration award in 2023. This year, around a dozen people receiving a disability allowance also benefited from a work placement in the company.

150

Different professions within the company

12.2%

Proportion of part-time staff, 33.2% of which are men and 66.8% of which are women

94

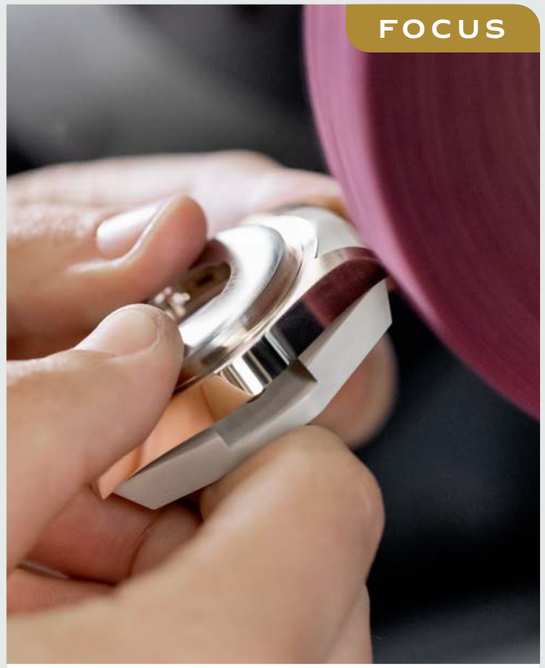
Nationalities within the company

SOCIAL INCLUSION THROUGH EMPLOYMENT

The shortage of skilled labour in Switzerland has prompted Rolex to offer in-house training for people who do not necessarily have watchmaking qualifications. Temporary work is also an effective way of developing the employability of people who have neither the experience nor the training to occupy an operational position in this field. Through this approach, Rolex supports retraining and professional reintegration. The company regularly offers temporary employees who have performed well a permanent job at the end of their assignment.

Temporary staff are covered by the collective labour agreement (CLA) for the hiring of services (Swiss staffing) and by the provisions laid out under Article 7.5 of the CLA for the Swiss watchmaking and microtechnology industries.

FOCUS



A SPRINGBOARD TO RETURN TO WORK

Rolex supports schemes designed to help unemployed people return to work, particularly in the Geneva area. Since 2013, the company has been helping to train watchmaking operators and polishers by offering them their first practical work experience placements. This commitment is made under the aegis of the Swiss Watch Industry Employers' Federation and the Geneva Office for Orientation, Vocational and Continuing Training, in collaboration with various partners, including the Cantonal Employment Office.

TRAINING AND SKILLS DEVELOPMENT

Capitalizing on knowledge

Gaining expertise, acquiring and sharing knowledge and relentlessly pursuing excellence are the pillars of training at Rolex. For several decades now, the brand has been developing training programmes and resources tailored to the different professions within the company and to career development. A considerable number of initiatives are implemented, from initial training through to specialized courses and on-the-job upgrading. In particular, they allow an intangible heritage to be passed on, made up of procedures, practices and knowledge that are specific to the brand and that it has nurtured since its creation.

Rolex's investment in training goes far beyond the watchmaking sector and has a threefold aim: to ensure the next generation of watchmakers, to develop skills internally and to keep a unique corporate culture alive. Most professions have a training plan. In this context, each employee benefits from a career development programme, with the opportunity to share their career advancement, mobility and skills development aspirations with their manager.

Rolex also fosters and facilitates the development of its managers through individual and group support offered at different stages in their career. As well as having a beneficial impact on employees, this allows the company to maintain the managerial skills it needs to ensure the next generation of executives, while respecting its culture and values.

The opening of the Rolex Training Centre in Geneva in 2018 demonstrates the importance that the brand places on maintaining and developing skills. The company has developed a catalogue of several hundred training courses focused on technical, behavioural, managerial, digital and IT aspects. It also covers the development of skills related to health and safety, quality, and company and product knowledge.

300

Number of training courses offered per year

8,308

Number of employees who completed a training course in 2023

2.06

Average training days per person (per average annual FTE)

This figure does not include on-the-job training lasting less than one day

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Training helps to facilitate career advancement within the company. It also improves long-term employability. For Rolex, it reflects a strategic commitment to skills management. The value placed on knowledge underlines how essential it is to have an agile, well-trained workforce that can adapt to market changes and business needs.

The company also takes on a large number of apprentices (244 for the 2023/2024 academic year) as well as trainees looking for work placements as part of their higher education courses at technician, bachelor's, master's, or another level (147 in 2023).

ROLEX TRAINING CENTRE

The brand inaugurated the Rolex Training Centre in September 2018 in order to offer the best training conditions to Rolex staff and young apprentices. Located in Geneva, this centre concentrates Rolex's key expertise in the dissemination of knowledge. Designed as an open, modular platform for exchange, the training centre encourages the mixing of generations to optimize knowledge transfer and skills development. It is also decidedly forward-looking. Thanks to its monitoring activities, it is constantly evolving, taking the latest advances in teaching, technology, sociology, organization and legislation into account. Bienne also has a training centre to instruct the next generation in the brand's various activities.

6,600 M²
Surface area dedicated to training by Rolex in Switzerland

HYBRID TRAINING PLATFORM

Launched in 2021, the Perpetual Learning (PERLE) IT management tool has made it possible to develop distance-learning courses as well as 'hybrid' training courses, both in person and online. For example, nearly 3,371 employees benefited from a hybrid training course in 2023 on cybersecurity – a priority theme for Rolex.

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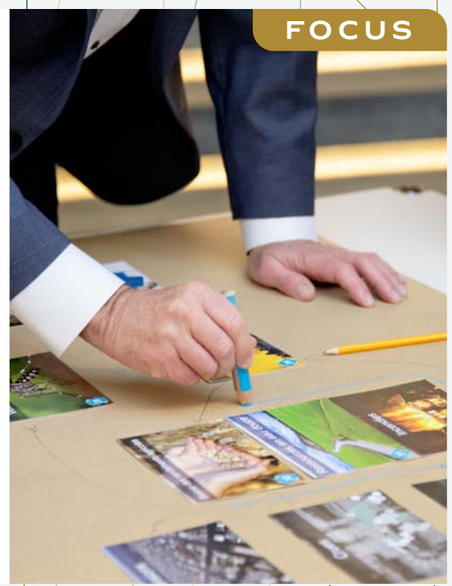
RAISING AWARENESS ABOUT SUSTAINABILITY AND DEDICATED TRAINING

Incorporating the principles of sustainability into the company's activities also involves training, and a programme is currently being developed. By 2025, it will allow most of the employees working in Switzerland to be trained in a wide range of subjects, such as 'Eco-design culture in machine purchasing' and 'Eco-design method and tools'. In late 2023, Rolex also began co-developing an e-learning module dedicated to the challenges of sustainable development and corporate social responsibility (CSR), with a view to rolling it out on a massive scale in 2024. The aim is to enable employees to improve their knowledge, upskill and facilitate their involvement in the company's overall approach, both personally and collectively.

FOCUS

CLIMATE FRESK

In 2023, the company's managers and senior executives explored the topic of climate change through a range of 'Climate Fresk' workshops, reconstructing the cause-and-effect links of this phenomenon and discussing the measures they could take to limit its consequences, both personally and professionally. This neutral and objective approach is based on data from the scientific reports published by the Intergovernmental Panel on Climate Change (IPCC), whose recommendations guide political and economic decisions on a global scale.



A COMMITTED COMPANY

Rolex's founder, Hans Wilsdorf, was a visionary entrepreneur who left his mark on the world, far beyond the realm of watchmaking. True to his memory, the brand keeps his entrepreneurial spirit alive along with his desire to pass on his expertise through a broad range of apprenticeships. Rolex is also recognized for its long-standing and ongoing commitment to the environment, society and culture.

EXPERTISE

Perpetuating excellence

Historically, Rolex's development has always drawn on the notion of durability, offering watches that are extremely reliable, timeless and designed to last. This approach reflects the 'Perpetual' attitude that has driven the company since its inception and motivates those who work there day after day in a demanding and rigorous quest for quality, continuous improvement and the pursuit of excellence.

This determination to constantly push back the boundaries has resulted in genuine industrial independence. By integrating and giving prominence to all its different areas of expertise, Rolex has created a framework in which it can perpetuate its quest for excellence. This decision to advocate its independence shapes the brand's identity, at the crossroads of tradition and cutting-edge technology.

PASSING ON WATCHMAKING AND ARTISANAL EXPERTISE

As a fully integrated company, Rolex owes its success to the combined expertise of staff representing over 150 professions. Craftsmanship and manufacturing expertise are passed on day by day in the production workshops at the very heart of the watch production lines. This is where the brand's employees are trained and continue to be trained, with an emphasis on discussion and experience sharing. Everyone learns from more senior, more experienced staff members and helps to develop new technical and technological solutions in the manufacturing and checking of products, to guarantee the exceptional performance of Rolex watches. This performance is achieved through industrial and staff efforts focused on constantly calling into question what has been learnt and continuously improving procedures, tools and tests. Innovation is inherent to the brand, as demonstrated by the many patents filed by Rolex since its creation.

Passing on watchmaking expertise also involves training, and specific plans have been developed in this area. In particular, each employee is invited to follow a core curriculum covering content specific to the watchmaking sector and to the world of Rolex and its values.

APPRENTICESHIPS

In order to ensure the workforce of tomorrow and to meet the needs of the local economic landscape, Rolex is developing an ambitious apprenticeship scheme. The brand's strategy is also to preserve and pass down expertise at company level and within the watchmaking sector as a whole. In addition, Rolex wants to promote all its apprenticeship schemes (20). Divided into watchmaking, industrial and service professions, they each represent an essential link in the Rolex watch manufacturing chain.

244

Young people enrolled in an apprenticeship scheme (2023/2024 academic year)

74%
Men

26%
Women

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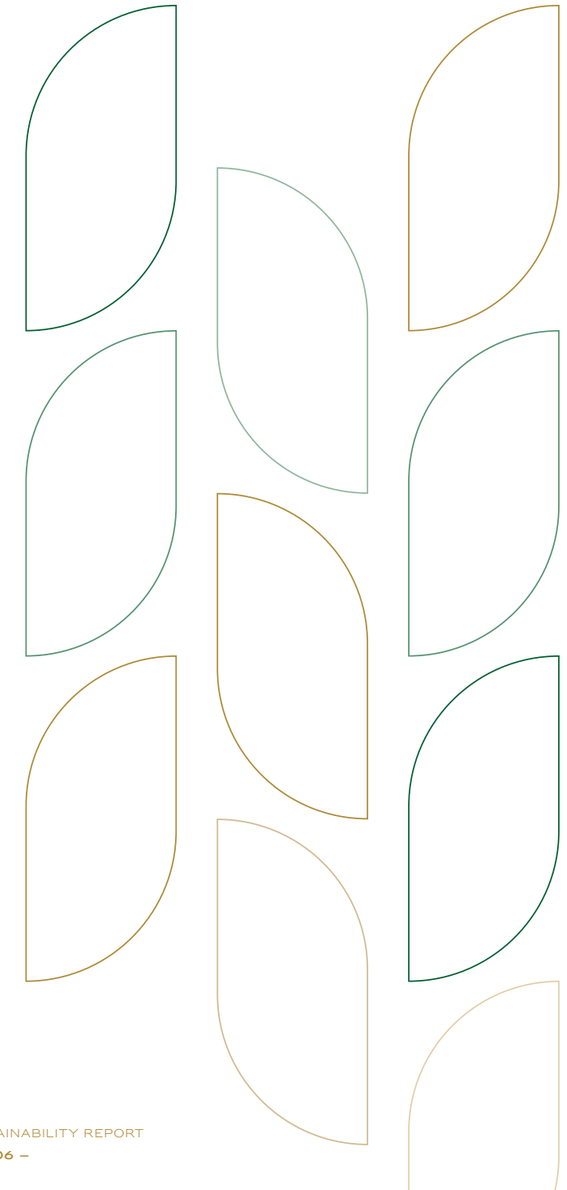
Rolex offers a dual training programme (college–company) that enables apprentices to combine theoretical courses with practical learning to become a:

- Watchmaker (CFC)
- Metalworker (CFC)
- Polymechanic (CFC)
- Commercial employee (CFC)
- Industrial designer (CFC)
- Production mechanic (CFC)
- Watch finisher (CFC)
- Chemistry technician (CFC)
- Physics technician (CFC)
- IT specialist (CFC)
- Gem-setter (CFC)
- Electroplating technician (CFC)
- Automation technician (CFC)
- Watchmaking operator (AFP)
- Polisher (AFP)
- Logistics officer (CFC)
- Microtechnology quality controller (CFC)
- Mechanics practitioner (AFP)
- Computer operator (CFC)
- Production watchmaker (CFC)

Inaugurated in 2018, the Rolex Training Centre in Geneva has an entire floor dedicated to providing courses and workshops for the next generation of watchmakers. Bienne also has a training centre to instruct the new generation in the brand's various activities.

In parallel, still with a view to training both young people and adults, the company develops and maintains relationships with colleges, training institutions and universities.



FOCUS

TRAINING 500 APPRENTICES

Rolex has been working for nearly three years to promote vocational training and increase its number of apprentices. The aim is to ensure the long-term future of its expertise and support the group's succession strategy.

Project 500 aims to double the number of apprentices over the next 10 years. Within this framework, Rolex's ambition is to become a benchmark in vocational training for the younger generation.

A SOCIALLY RESPONSIBLE COMPANY

Working for the planet and the common good

Rolex's ambition is to protect the planet, keep cultural heritage alive, promote innovation and inspire new generations. For many years, the company has been supporting people and institutions seeking solutions to today's challenges, which include global warming, dwindling resources and sustainable construction. As a socially responsible company, the brand also works for the common good through donations made in Switzerland and around the world.

PERPETUAL PLANET INITIATIVE

For half a century, the affinity Rolex historically shares with the world of exploration has encouraged the brand to strengthen its partnerships with personalities and organizations that are committed to discovering, understanding and preserving the planet. Since 2019, the brand has structured its long-term support for action or projects dedicated to current environmental topics – particularly those linked to the poles, oceans, mountains, forests and living organisms – within its Perpetual Planet Initiative. It is now aiming to further expand the portfolio of projects it supports in order to enhance the impact it has, and to train and raise awareness about these topics among future generations.

The brand's approach is threefold: explore, act and inspire. Explore to better understand the planet and the changes it is experiencing. Take tangible action to dissipate the dangers threatening nature, ecosystems, the climate, and the communities that are their first victims. Finally, inspire the next generations of explorers, scientists and environmentalists by fostering links with entrepreneurs and decision makers.

In this respect, Rolex offers its partners significant financial support over several years, allowing them to develop their initiatives. The brand also provides them with unrivalled visibility and showcases their activities by giving them access to an audience that extends far beyond their own circle.

Some organizations supported by Rolex are long-standing partners – such as Sylvia Earle's Mission Blue, which protects a network of vulnerable marine areas (around 160 Hope Spots) or the National Geographic Society – which are developing new initiatives or expanding the scope of their activities with the brand's support. Others are new partners renowned for their long-term, high-quality work, such as Rewilding Argentina and Rewilding Chile, both offshoots of Tompkins Conservation, which are helping nature to reassert itself in the southern part of South America.

PERPETUAL ARTS INITIATIVE

As part of its support, Rolex works with leading artists and cultural institutions to celebrate excellence and help to perpetuate the world's artistic heritage by creating bridges between people and places, but also between past, present and future.

Through its Perpetual Arts Initiative, which brings together all its cultural partners from the world of music, architecture and film, Rolex confirms its long-standing commitment to the arts around the globe. In this way, the brand is making a lasting contribution to all these disciplines, which play an integral part in the development of societies and their history.

Rolex also supports creativity, the unearthing of new talent, encounters between artworks and audiences, and the preservation of cultural treasures.

In this context, the brand is currently fostering 12 projects dedicated to education and knowledge sharing in the arts. The brand wants to extend this support to specialist institutions, as well as programmes and competitions.

For instance, Rolex has partnered the prestigious Vienna Philharmonic since 2008 and the New Year's Concert since 2009. The brand is also a long-standing partner of four of the world's most prestigious opera houses: the Metropolitan Opera, Teatro Alla Scala, the Royal Opera House in London and the Opéra National de Paris.

Rolex has been the Exclusive Partner of the International Architecture Exhibition – La Biennale di Venezia – since 2014. It has also been working with the Norman Foster Foundation since 2017. Still in the same field, the brand assisted with a workshop dedicated to sustainable construction held from 2021 to 2023. In 2024, it committed to supporting a master's degree in Madrid on sustainable cities for one year.

In 2017, Rolex became the Exclusive Timepiece of the Academy of Motion Picture Arts and Sciences, Proud Sponsor of the Oscars® and the Exclusive Sponsor of the Governors Awards. Rolex is also a Founding Supporter and Official Watch of the Academy Museum of Motion Pictures, which opened in Los Angeles in September 2021 as the largest museum dedicated to film in the United States.

Finally, the Rolex Mentor and Protégé Arts Initiative holds a special place within the Perpetual Arts Initiative. It plays a key role in passing on and promoting excellence and the future of the arts in seven artistic disciplines: architecture, music, dance, the visual arts, film, theatre and literature. Thanks to this programme, talented young people are guided by masters who help them to unleash their creative power.

FOCUS

ROLEX
Perpetual Planet Initiative

ROLEX AWARDS FOR ENTERPRISE

Since 1976, through the Rolex Awards for Enterprise, Rolex has supported the development of innovative projects aimed at improving living conditions on earth and pushing back the frontiers of knowledge. In almost half a century, this prize has been awarded to 160 Laureates, aged between 24 and 74, from every continent, all with a strong social commitment to their region. The winning projects involve the simplest, sometimes ancestral, techniques as well as the most sophisticated technological innovations. Among other benefits, they have helped to protect 48 endangered species, plant 33 million trees and preserve 32 key ecosystems, including 57,600 km² of Amazon rainforest.

An independent jury of ten international experts chose the five 2023 Rolex Awards for Enterprise Laureates. The projects selected this year involve providing clean water to communities living in arid regions (Beth Koigi, Kenya); protecting one of the last primary forests in West Africa (Inza Koné, Côte d'Ivoire); saving wild camels in danger of extinction in East Asia (Liu Shaochuang, Mongolia and China); mobilizing indigenous communities to reforest the high Andes (Constantino Aucca Chutas, Peru) and creating a 'farm-to-closet' supply chain to both support craftspeople and protect the environment (Denica Riadini-Flesch, Indonesia).

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DONATIONS POLICY

Rolex's shareholder, the Hans Wilsdorf Foundation, has a mission to act in the public interest and carries out philanthropic activities thanks to the dividends generated by the group. The Foundation is active in the fields of culture, training, social action, humanitarian aid and the protection of animals and ecosystems. In accordance with the wishes of its founder, Hans Wilsdorf, a number of its activities are concentrated in the canton of Geneva. The Foundation is a major player there and, through its actions in the humanitarian and environmental fields, also has a global impact.

Besides the Foundation's philanthropic activities, Rolex SA makes additional donations. The company has chosen to promote education, encourage career guidance for young people and prioritize innovation in areas where the brand has a long-standing presence, focusing actions on projects of a scientific, cultural or sporting nature or that are related to the conservation of watchmaking heritage, to the economy and commerce. Recipients may also have a connection with members of the Rolex Awards for Enterprise and the Rolex Mentor and Protégé Arts Initiative communities, as well as the local community. Nearly all (90%) of the donations made by Rolex SA are anonymous.

APPENDICES

Sustainability indicators

ENVIRONMENT

Water withdrawal

GENEVA	Quantity (in thousands of m³)
Total volume of water withdrawn	**353**

BIENNE	Quantity (in thousands of m³)
Total volume of water withdrawn	**120.73**

Water discharge

GENEVA	Quantity (in thousands of m³)
Total volume of water discharged	**278**

BIENNE	Quantity (in thousands of m³)
Total volume of water discharged	**_[1]**

Waste generated (in tonnes)

	Recycled waste	Recovered waste	Incinerated waste	Landfill waste	Other (chemical treatments, etc.)	TOTAL
Industrial waste	1,030	-	1,150	70	-	**2,250**
Production waste	864	-	-		-	**864**
Special waste	220	330	-	75	251	**876**
TOTAL	**2,114**	**330**	**1,150**	**145**	**251**	

Vehicle fleet

	Passenger vehicles	of which are electric	% electric passenger vehicles vs. passenger vehicles total	Small vans	of which are electric	% electric small vans vs. small vans total	Heavy goods vehicles	of which are gas	% gas heavy goods vehicles vs. heavy goods vehicles total
Geneva	24	18	**75%**	14	6	**43%**	7	3	**43%**
Bienne	11	1	**9%**	19	0	**0%**	0	0	**0%**
TOTAL	**35**	**19**	**54%**	**33**	**6**	**18%**	**7**	**3**	**43%**

GENEVA AND BIENNE TOTAL: 75 vehicles

Passenger vehicles	47%	Small vans	44%	Heavy goods vehicles	9%

[1] A measurement plan is currently being developed to monitor this indicator.

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Reduction of energy consumption (on the basis of scopes 1 and 2 of the carbon footprint)*

GENEVA	2021	2022	2023
Total final energy savings [MWh]	13,933	22,836	**25,084**
Total CO_{2e} [t] savings	643	2,090	**2,609**
BIENNE			
Total final energy savings [MWh]	5,657	8,386	**8,874**
Total CO_{2e} [t] savings	527	577	**629**
TOTAL			
Total final energy savings [MWh]	19,590	31,223	**33,958**
Total CO_{2e} [t] savings	1,170	2,667	**3,238**

* The data correspond to the sum of the savings accumulated as the measures were implemented.

Energy consumption

ROLEX SA	Grid electricity (in kWh)	Solar electricity (in kWh)	Natural gas (in kWh HCV)	Fuel oil (in kWh HCV)	Pellets (tonnes)
Acacias	19,153,394	260,562	15,029,151	-	-
Chêne-Bourg	19,136,999	197,324	3,882,195	-	-
Plan-les-Ouates	48,162,002	59,972	5,171,213	-	-
Perly	2,597,999	-	151,022	179,197	-
Other	1,345,843	21,258	976,939	214,490	-
ROLEX SA GENEVA TOTAL	**90,396,237**	**539,116**	**25,210,520**	**393,687**	**-**
MANUFACTURE					
Bienne	42,124,320	915,611	311,978	-	900
Le Locle	239,020	-	-	-	53
MANUFACTURE TOTAL	**42,363,340**	**915,611**	**311,978**	**-**	**953**
CUMULATIVE TOTAL	**132,759,577**	**1,454,727**	**25,522,498**	**393,687**	**953**

RESPONSIBLE EMPLOYER

Number of employees by gender and region

	Female	Male	TOTAL
Geneva	2,303	3,747	**6,050**
Bienne	1,962	1,894	**3,856**
TOTAL	**4,265**	**5,641**	**9,906**
	43.1 %	56.9 %	

Number of employees hired in 2023 by age range

	Age category	Female	Male	TOTAL	
Group	20–29 years old	218	253	**471**	42.7%
	30–39 years old	118	160	**278**	25.2%
	40–49 years old	62	83	**145**	13.2%
	50–59 years old	38	18	**56**	5.1%
	60 and over	1	1	**2**	0.2%
	Under 20	47	103	**150**	13.6%
	GENERAL TOTAL	**484**	**618**	**1,102**	
		43.9%	56.1%	100%	

Number of employees hired in 2023 by region

Sites	Number of new employees	Distribution
Geneva	495	45%
Bienne	607	55%
TOTAL	**1,102**	**100%**

Employee turnover in 2023

Sites	
Geneva	**5%**
Bienne	**4.3%**

Number of employees who benefited from parental leave in 2023

Type of parental leave	Number of employees who received it
Maternity leave	114
Paternity leave	178
Educational leave	15
TOTAL	**307**

Employees who received a performance review

Senior executives and managers	89.9%
Employees	99.4%
Expertise Sector	98.3%
Management Sector	98.2%
TOTAL	**98.8%**

COMPANY PRESENTATION – SUSTAINABILITY AT ROLEX – GOVERNANCE – SUPPLY CHAIN – SUSTAINABLE PRODUCTS
THE ENVIRONMENT – RESPONSIBLE EMPLOYER – A COMMITTED COMPANY – APPENDICES

About this report

Rolex's sustainability policy and related initiatives have been reported internally since 2017. This year, the brand is making this report public to highlight its commitment to CSR.

SCOPE OF THE REPORT

The elements described in this document concern the activities carried out by the various administrative and production sites in Switzerland of Rolex SA, a limited company under Swiss law with its headquarters in Geneva, as well as Manufacture des Montres Rolex SA based in Bienne. When the term Rolex is used, it should be understood as encompassing the entire scope described here. Rolex SA groups together the various sites established in the canton of Geneva. Manufacture des Montres Rolex SA includes the Bienne site.

SCOPE OF THE ODITR

The chapter on Rolex's Supply Chain as well as the section dedicated to governance, ethics and compliance in the Governance chapter cover the legal requirements in relation to the Federal Ordinance on due diligence and transparency obligations regarding minerals and metals from conflict-affected areas and child labour of 3 December 2021 (ODiTr). The ODiTr's scope applies to Rolex SA, Manufacture des Montres Rolex SA, Rolex Promotions SA, Roldeco SA, Montres TUDOR SA and Manufacture TUDOR SA. This group is also known as the 'Rolex group'.

SCOPE OF THE CARBON FOOTPRINT

When calculating its carbon footprint, Rolex has worked on a broader scope to reinforce the impact of its climate strategy initiatives. This covers the activities of Rolex SA, Manufacture des Montres Rolex SA, Roldeco SA, Swiss affiliates and foreign service and distribution affiliates.

In 2023, in line with the results of its carbon footprint, Rolex submitted its greenhouse gas emissions reduction targets to the Science-Based Targets initiative for the entire scope involved in its carbon footprint calculation, with the addition of TUDOR SA, an affiliate of Rolex SA.

REPORTING PERIOD

Acting as the first milestone that will make it possible to measure Rolex's sustainability performance and progress in the future, this report covers the period of activity from 1 January 2023 to 31 December 2023.

LANGUAGE

This report was written in French and translated into English. French is therefore the reference language.

EXTERNAL ASSURANCE

This report will not be audited externally.

CONTACT

If you have any specific queries about the information contained in this report, please contact the Impact and Sustainability Department at the following address: ch.ge.durabilite@rolex.com

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