

# Code of Conduct



# Code of Conduct for the Carl Zeiss Group

Carl Zeiss is dedicated to delivering optimum performance and meeting the highest demands, not only in terms of technology, but also regarding compliance with the “rules” of good and fair behavior in competition and when dealing with our employees and customers.

Therefore, Carl Zeiss approved a Code of Conduct in 2007 that is valid throughout the world. It specifies and explains the general rules of behavior for various aspects of our business activities.

This Code of Conduct has proven to be a valuable tool. The reward for complying with the Code of Conduct is the trust given to our company and the excellent reputation of the ZEISS brand on global markets. We are certain that sustainable economic success and compliance with laws and our internal standards go hand in hand.

We have now revised our Code of Conduct after five years. Several aspects, such as product safety and data privacy, have been tightened. The Code of Conduct has also been integrated into the standards of the Carl Zeiss Group.

We invite you to use this Code of Conduct as a guideline for your daily activities. You will see that we already practice most of what is contained on these pages. However, there may be some individual areas with room for improvement. Let us also address these points.

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# 1

## Principles

The skill, dedication and responsible action of employees are essential to the success of Carl Zeiss. Fairness, tolerance and responsibility towards people and nature are highlighted as values of our company in our corporate Vision. This includes the following principles:

- Legally compliant and ethically sound behavior, adherence to general legal and cultural conditions
- Loyalty to Carl Zeiss
- Fair, polite and respectful interaction with colleagues and third parties
- Appropriate consideration of the interests of customers and business partners
- Social commitment
- Advocacy of environmental protection and occupational health and safety
- Rejection of all forms of discrimination based on sex, race, religion or any other characteristic
- Responsible and transparent behavior when dealing with risks
- Professionalism, fairness and reliability in all business dealings

# 2

## Interaction with employees and business partners

Our business partners (customers, sales partners and suppliers) and employees are the focus of our activities. Relationships with our business partners and employees shall be marked by mutual reliability and sustainability. Honesty and politeness in our dealings, respect and fairness are expected of us. This includes the transparent and traceable arrival at and communication of decisions.

These principles for dealing with business partners and employees can only be implemented if they are practiced by management personnel in the same manner towards employees and adhered to by employees in their interactions with each other.

### 3

#### Fair competition

Regulations to ensure fair competition are essential elements of a free economy. Almost all countries have passed laws on this matter. In particular, these laws:

- prohibit collusion between competitors on prices, division of territories, customer groups, product quantities or other parameters relating to competition
- prohibit price fixing by sales partners
- prohibit the abuse of a market-dominating position
- monitor corporate mergers in order to hinder the emergence of a market-dominating position

Particularly relevant are agreements between market participants which limit competition, which are prohibited in almost all legal circles. Informal discussions, gentlemen's agreements and any coordinated behavior are prohibited if they result in the agreement or implementation of a measure that restricts competition. The mere appearance of such conspiratorial behavior must be avoided.

No confidential information on prices and upcoming price changes or customer and supplier relationships may be exchanged during discussions with competitors. Exceptions apply if information is to be published following the conclusion of a confidentiality agreement within the scope of a particular project, e.g. a scheduled acquisition or founding of a joint venture.

The applicable version of the regulations on **Conduct in Competition** must also be adhered to.

### 4

#### Granting and accepting benefits

Our company impresses because of its prices, performance, quality and the suitability of the products and services we offer. We select our suppliers based on the same criteria.

No personal benefits may be requested, accepted, offered or granted with the intention of receiving preferential treatment in the initiation, awarding or processing of an order. In this context, the regulations on **Concluding Dealer and Commission Agreements** must additionally be adhered to when engaging representatives and consultants.

Under no circumstances may gifts be given or accepted. Exceptions are granted only for nominal gifts for a specific occasion or advertising gifts and for gifts that correspond to standard behavior and courtesy in a country and which comply with legal stipulations. Particular restraint is required of public officials, including those from outside Germany.

Even the open-ended loan or acceptance of products or other items may assume the appearance of a forbidden gift or the acceptance or granting of benefits.

Invitations from or through business partners which are unrelated to business calls, unusual or disproportionate shall require internal approval.

If an employee is confronted with an offer of or request for personal benefits, this must be reported to his/her superior immediately.

In addition, the applicable version of the regulations on the **Principles of Granting or Accepting Gifts or Invitations** must be adhered to.

In the case of donations, the applicable principles of the **Awarding of Donations** of the Carl Zeiss Group, which define their type and scope, must be adhered to.

Please contact the Corporate Compliance Office if you have any questions.

## 5

### Handling of corporate property

Each employee is obligated to treat all operating equipment (machines and tools in particular) as well as all information and communication systems carefully and in accordance with their intended purpose. Information and communication systems, in particular, may only be used for operational purposes. The workplace and all facilities that serve the workforce or the company must always be kept orderly; damage must be reported to superiors.

Company property must not be used privately or removed from company premises without the express permission of the authority responsible in the company.

For expense claims, the applicable **Travel Policy** of the relevant Carl Zeiss company must be adhered to.

## 6

### Protection of trade secrets

Our inventions and know-how are vital for the long-term success of our company. Therefore, the promotion of the creative and innovative skills of our employees is strategically important. This also applies to protecting our intellectual property from the knowledge of or unauthorized access by third parties. All employees are therefore required to comply with appropriate and necessary security standards, both in personal communications and in electronic communication with third parties.

This also applies to confidential information made available to us by third parties.

Unless express approval is granted, employees are not permitted to take part in public discussions (e.g. lectures, Internet forums, etc.) or to publish company-relevant information (e.g. on the Internet) in their capacity as Carl Zeiss employees.

In addition, the applicable specifications on **Communications at Carl Zeiss** must be adhered to.

## 7

### Ban on insider trading

Insider trading laws prohibit the use of insider information to gain direct or indirect personal benefits through the purchase or sale of securities as well as the unauthorized dissemination of such information. Insider information refers to all facts that are not generally known which refer to the issue of securities and which can considerably influence the value of these securities if made public, i.e. information that an investor would consider important in his/her decision to buy or sell. Examples include: information on planned acquisitions, strategic alliances, financial results, new products, problems with products or important agreements.

Employees who have access to insider information regarding listed Carl Zeiss companies (e.g. Carl Zeiss Meditec AG) or other listed companies as a result of their activity at Carl Zeiss are prohibited from buying or selling shares in these companies or disseminating information to third parties. In this sense, the term "third parties" also refers to family members, partners or friends, or other Carl Zeiss employees who do not have knowledge of insider information as a result of their activity in the company. This prohibition shall apply until the information is no longer relevant to the share price or becomes public knowledge.

Prohibited insider trading can have considerable criminal and civil consequences for both the employee and the company.

## 8

### Avoiding conflicts of interest/ private activities

To avoid any conflicts between private and corporate interests, any employee who intends to

- undertake an additional position in another company
- perform paid secondary activities
- perform an entrepreneurial activity

must inform his/her superior or the HR department responsible and must obtain permission. This also applies to the performance of unpaid secondary activities, if doing so may lead to conflicts of interest.

Employees who are not permitted to perform certain activities themselves due to potential conflicts of interest are also prohibited from inducing family members, partners or third parties to perform these activities.

Carl Zeiss supports the social and political commitment of its employees. Any activity in clubs, parties, or other social or political institutions, whether as a mandate or honorary, must not interfere with the fulfillment of the employee's duties under the contract of employment.

Personal opinions expressed in public shall not include any reference to the employee's position in the company and shall be guided by loyalty to Carl Zeiss. This shall not preclude a constructive culture of discussion which benefits Carl Zeiss and its employees.

## 9

**Anti-discrimination**

All employees and business partners have the right to fair, polite and respectful treatment by superiors, colleagues and employees.

Nobody may be harassed or discriminated against based on race, skin color, nationality, ancestry, gender, sexual identity, religion, world view, political orientation, age, physique or appearance.

Each employee is obligated to respect the personal sphere of other employees. Sexual harassment and mobbing are prohibited.

## 10

**Adherence to export controls and customs regulations**

Carl Zeiss is a global company. Within the scope of its international activities, it must comply with regulations which limit the free movement of goods. Various national and international laws or embargoes limit or forbid the import, export or domestic trade of goods, technologies and services, as well as monetary transactions and the movement of capital. The limitations and bans can be due to the nature of the goods, the country of origin, the country in which the goods are to be used, or who the business partner is.

National and international export control regulations are particularly important. Each employee must comply with these control regulations if goods or services are purchased, arranged, manufactured or put into service, or if technologies are transferred or accepted. The necessity of statutory approval must be checked before any trade is executed.

Carl Zeiss is also committed to combating smuggling. Within the scope of all import and export business it carries out, each Carl Zeiss company and its acting employees must comply with the respective customs regulations. Apart from the consequences to the respective business unit, violations of the above-mentioned regulations can lead to severe damage to the reputation of the entire company and incalculable consequences. All Carl Zeiss companies must take necessary organizational precautions, and designate personnel with responsibility for ensuring compliance with the above-mentioned regulations.

In addition, the applicable version of the regulations on **Customs and export control** must be adhered to.



## 11

### Occupational Health and Safety

Safety in the workplace and the protection of the health of all employees is a fundamental principle of Carl Zeiss, which has been enshrined in the Foundation statutes.

All employees are expected to comply with the safety regulations and to be aware of hazards and safety-related activities. This applies to all hazards that could occur at our employees' workstations or during the use of our products. All detected accidents, hazards and exposures which are considered possible as well as near misses must be immediately reported to the superior responsible.

The management of the business units is required to establish and monitor a safety organization. Each superior is responsible for the protection of his/her employees and must provide instruction, training and supervision. In order to determine and evaluate risks to and strain on individuals, all management personnel are required to carry out regular risk assessments which identify and evaluate risks to individuals and their health at their workstations. This includes the organization of occupational health care.

## 12

### Product safety

Our success is determined by the safety and reliability of our products. Our innovativeness and the rapid pace of our innovations place immense challenges on all employees who deal with product safety and quality management. Product safety begins at the development stage, continues during the procurement and production processes and is of fundamental importance during the installation of our products at the customer and during servicing.

A multitude of legal stipulations relating to the development, production, approval and sales of our products serve to guarantee the safety of our products. Quality management and the Regulatory Affairs department ensure compliance with the legal stipulations.

## 13

### Environmental protection

Our company is committed to environmental protection as a corporate objective enshrined in the statutes and declares the sparing use of resources a pivotal production factor in our manufacturing processes. The following guidelines relating to environmental protection shall apply:

- We preserve our environment, use all natural resources sparingly and avoid or reduce the burden on people and nature.
- We incorporate the requirements of an intact environment into the development, design, manufacturing processes, packaging and shipping of our products, as well as in the improvement of processes and the introduction of new systems and products

We also expect our business partners, in particular our suppliers, to comply with all legislation and directives on the protection of people, the environment and energy sources.

Training on environmental protection is a fixed element of employee qualification programs. When disposing of waste, the most environmentally friendly disposal method which is also economically viable must be selected.

If incidents which could result in environmental pollution should occur, the company area responsible must be immediately and comprehensively informed and legally stipulated reports to the authorities must be initiated by this area.

We inform the public through regular environmental reports that environmentally sound action is a key element of our corporate culture.

## 14

### Data protection/handling of information/documentation

Successful and effective business activity requires that all relevant information reach the necessary target group. However, the non-systematic dissemination of information can lead to a blockade. All employees are therefore requested to decide carefully who must be supplied with what information in order to bring about the required decisions quickly, based on solid information.

Compliance with adequate security standards must be observed when disseminating information. Each employee must be aware of the level of confidentiality required when passing on information.

The protection of personal data is of particular importance. The personal data of our customers, business partners and employees may only be obtained, stored, processed and transferred within the scope of the country-specific laws. In addition, the relevant version of the **Data Protection – Handling of Personal Data** regulation must be adhered to.

All relevant issues which affect business activities must be systematically and reproducibly documented. Retention periods of documentation stipulated by law must be observed.

**15****Behavior towards authorities**

Carl Zeiss endeavors to maintain an open and cooperative relationship with all responsible authorities. If authorities follow up on violations of applicable law, the processes involved follow specific rules. These rules include the right of the person involved to legal counsel. Exercising this right and the “right to remain silent” shall by no means constitute an admission of guilt.

If investigations are conducted by the authorities, superiors and the company attorneys – in the case of tax-related proceedings, employees in the tax department – must be called in immediately.

No employee is allowed to destroy, remove or alter printed or electronic company documents associated with a judicial, official or civil investigation or law suit.

**16****Compliance with the Code of Conduct and monitoring**

Each employee shall receive a copy of this Code of Conduct. However, merely reading this Code of Conduct shall not suffice. Each employee is required to review his/her conduct based on the preceding rules and to become aware of areas of activity where improvements may be made.

In particular, management personnel are obligated to act as role models, to behave with integrity in everyday business, to inform employees in their area of responsibility about the basic values upon which this Code of Conduct is based and to integrate this Code of Conduct into employee training.

Management personnel are also obligated to ensure that the Code is upheld. Violations of the law and of this Code of Conduct shall not be tolerated. The company shall enforce compliance with the above-mentioned rules. Violations may be punished, and may have consequences under civil, criminal and labor law.

In the event that he/she should doubt the legality of his/her own behavior or if evidence of legally dubious processes in his/her work environment should exist, each employee is expected to seek the advice and support of his/her superiors, the department responsible or his/her representatives. Openness and trust are vital, particularly in cases in which the company could potentially be damaged.

Furthermore, the Head of Corporate Human Resources or the Chief Compliance Officer or the Head of the Corporate Compliance Office may be contacted with the assurance of total confidentiality.

**Carl Zeiss AG**

Corporate Compliance Office

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