

# Code of Conduct for Employees

## PURPOSE:

Summary of the fundamental rules of conduct for employees.

## SCOPE:

Swarovski Optik Absam, Kahles Gesellschaft m.b.H

## LIMITATIONS:

The following chapters or guidelines are currently not valid for KAHLES (will be clarified or introduced successively): RL-00303; RL-00377; RL-00309; RL-00310; RL-01162; RL-00283; RL-00809; RL-00883; RL-01157; RL 00892; Code of Conduct for Suppliers; risk-based due diligence see endnote 9

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## FOREWORD BY THE EXECUTIVE BOARD

The success of the Swarovski Optik Group (Swarovski Optik and KAHLES; abbreviated to SOK in the document) is based not only on our values and technologically sophisticated products, but above all on the commitment of our qualified employees. Their know-how, their experience and their sense of corporate responsibility are the driving forces behind our progress. It is important to us to support and encourage our employees as far as possible in their freedom and their entrepreneurial thinking and actions, whilst ensuring compliance with laws and regulations. We are committed to complying with the legal provisions (laws, regulations, guidelines, etc.) applicable in the respective legal system as well as with the Group-wide internal guidelines and codes of conducts. With our "Company Culture document" and this Code of Conduct, we aim to provide our employees<sup>1</sup> with a guideline that concisely summarizes the fundamental rules of conduct for our business life. Those who

know and follow these rules will be able to act in a more goal-oriented manner in everyday business life.

The standards formulated in this document are not new for our company but have indeed been practiced for a long time. A code of conduct cannot and should not be an exhaustive list of the legal requirements. Many of the areas addressed are also documented in detail in the form of company agreements, procedural instructions or internal guidelines and regulations as well as employment contract agreements.

Non-compliance with the Code of Conduct can lead to considerable damage, not only for our company, but also for us as employees, as well as for our business partners and other stakeholders. The Code of Conduct is therefore binding for all of us, regardless of whether we are an employee, manager or member of the company's management or Executive Board. We do not tolerate violations of the Code of Conduct. Anyone who violates it must expect appropriate consequences, which - depending on the severity of the violation - can range from measures like re-training, warning, termination of employment, civil penalties, or prosecution under criminal law. To prevent this from happening, it is the responsibility of each and every one of us to familiarize ourselves with the content of the Code of Conduct, to incorporate it into our own conduct and to take it into account when making decisions.

Stefan Schwarz

Andreas Gerke

Thomas Saller

## 1 OBJECTIVE, GOAL AND PURPOSE

As part of its duty of care, the respective management of the Swarovski Optik companies and the Swarovski Optik Group are obligated to ensure an appropriate and effective risk management system (RMS), early risk detection system and internal control system (ICS). We are also obliged to take suitable measures to ensure that developments which could jeopardize the continued existence of the company are identified at an

early stage. In particular, this framework is intended to provide:

- Raising awareness among employees and managers
- Orientation and certainty
- A table of contents/overview of the most important topics
- A reference to further guidelines and work instructions
- Guidance on correct behavior, in cases of ambiguity
- Basis for communication and training

### **Ambiguous situations/ decisions**

In day-to-day business, situations may arise in which it is not possible to determine with certainty which behavior is correct and appropriate. The following questions can help to clarify this:

- Is my action/decision permitted by law?
- Does it comply with our values, the principles contained in the Code of Conduct and our internal guidelines and behavioral instructions?
- Does it exclude the influence of personal interest and rather focuses on the best interests of the company?
- Do I have the feeling that what I am doing is right?
- Will my action/decision stand up to public scrutiny (e.g. by authorities)?
- Does my action protect the company's reputation?

If all these questions can be answered with “yes”, the action is most likely correct and complies with the following principles. If doubts remain and neither this Code of Conduct nor the internal guidelines can provide sufficient answers, this should be discussed with the manager. Furthermore, questions and comments regarding the Code of Conduct and the compliance guidelines can be directed to the responsible compliance manager.

## **2 COMPLIANCE CATEGORIES**

This section provides an overview of the main areas of compliance and related regulations. Reference is made to the corresponding internal guidelines.

### **2.1 Sustainability and social responsibility**

#### **2.1.1 Human rights**

Compliance with internationally recognized human rights standards is a high priority for us. This includes, in particular, the fight against slavery, human trafficking, forced labor or other exploitation as well as the prohibition of child labor and freedom of association. This applies not only to cooperation within our company, but of course also to the conduct of and towards business partners.

#### **2.1.2 Fair working conditions**

We are committed to providing fair working conditions and complying with the applicable laws on minimum wage, working hours and occupational safety and respect the personal dignity of each individual.

#### **2.1.3 Non-discrimination**

We observe the equal treatment of all employees. We recognize other cultures and their customs. We reject derogatory remarks and remarks that refer to people's gender, skin color, religion, nationality, age, physical and mental disabilities, or sexual orientation.

#### **2.1.4 Harassment**

We do not allow any kind of harassment, intimidation, insults, threats, unfair accusations, bullying and sexual harassment or other acts of physical or psychological violence that could have a negative impact on the dignity of our employees. We prohibit the display of images or objects with sexual content as well as images or objects that could promote hate, discrimination or stereotyping in the workplace.

#### **2.1.5 Environmental protection**

Our sustainable growth and economic success are based on long-term thinking and action. We treat our natural environment responsibly and strive to protect biodiversity. We encourage and demand environmentally friendly behavior from ourselves and our external stakeholders. Our environmental management systems are constantly optimized to continuously reduce our footprint and meet and exceed our environmental obligations. Among other things, our sustainability strategy drives forward topics relevant to environmental protection in which we set ourselves ambitious targets.

### **2.2 Occupational health and safety**

We pay attention to our own safety and that of others. We observe occupational health and safety regulations. This is not of minimal significance, but an obligatory task for each and every one of us to act upon. Ensuring occupational safety and maintaining and promoting the health of our employees are important corporate goals. We contribute to achieving these goals by continuously improving the working environment. Occupational health and safety are therefore an integral part of all operational processes and are included in the technical, economic, and social considerations from the initial stages, i.e. as early as the planning phase. Every employee must pay constant attention to safety and comply with the applicable legal and internal regulations on occupational safety, health, fire and environmental protection in order to avoid endangering their own health. Managers have an important role model function in this respect. Every manager is responsible for the protection of their employees and must train them accordingly and supervise them accordingly.

### **2.3 Conflicts of interests**

All decisions are made on the basis of appropriate considerations. Situations in which the business interests of the company and the personal interests of employees could result in conflict, must be avoided. A conflict of interest can arise, for example, due to family relationships, secondary employment or financial interests. We undertake to disclose potential conflicts of interest to our line manager immediately and not to participate in decisions where there is a conflict of interest.

### **2.3.1 Business, friendship and family ties**

We must not use our positions for our personal benefit or for the benefit of persons close to us. Family members and other related parties should not be in a relationship of official dependency. Our managers must disclose relationships with family members or other related parties to the HR department.

### **2.3.2 Secondary activities**

Secondary employment is permitted but requires the written consent of the company. We recommend that employees only engage in activities that are clearly distinct from the area of responsibility assigned by the company. Anyone who engages in secondary employment must ensure that it does not have a negative impact on his or her work at SOK and that there is no conflict of interest. Commitments to charitable causes or voluntary work are very much welcome. However, these functions may only be performed without recourse to company resources, in an employee's free time, outside company premises and at the individual's own risk. In the context of such activities, the use of the brand logo is only permitted with consent. Employment relationships and contracts for work with our competitors are not permitted.

### **2.3.3 Financial participation in business partners**

Financial interests in business partners such as suppliers, sales partners, customers, competitors, etc. can influence business decisions. In order to avoid bias, significant (over 5%) financial interests must be disclosed in good time. Business decisions relating to a company in which a shareholding exists are not made by the employee themselves, but by colleagues or superiors.

### **2.3.4 Business relationships with family members and friends**

If an employee or a person close to them operate with or are involved in a company, the relevant line manager must be informed when awarding a contract. Decisions relating to a company owned by a family member or friend are not made by the employee themselves, but by colleagues or superiors. This ensures that such decisions are solely based on objective criteria such as cost, quality and reliability of the business partner.

### **2.3.5 Political activities**

As a company, we are neutral in terms of party politics. However, it is the free right of each and every individual to take an active part in political life. In doing so, it must be clearly stated that it is a matter of the employee's own political views as a private individual and not those of the company. Political engagement during working hours and the use of financial resources, facilities, equipment, communication channels or other company resources are prohibited. The distribution or attachment of printed material with political content to notice boards or election advertising on company premises is also prohibited. Election advertising for works council elections is permitted.

### **2.4 Our relationships with business partners**

We maintain long-term relationships with our suppliers and sales partners that are characterized by mutual respect. The supplier, who aligns closest to our values will be awarded the contract. We initiate business relationships based on objective criteria such as quality, price, technological standard, service, reliability and sustainability of the business partner.

#### **2.4.1 Procurement**

We maintain trusting and fair business relationships with our suppliers. Conversely, we expect the same from our suppliers. The Purchasing department acts in accordance with the laws and regulations of the countries in which we operate. It is responsible for competently procuring goods and services ensuring optimal conditions. Circumventing purchasing can lead to disadvantages for the company. Therefore, all purchasing regulations must<sup>2</sup> be strictly observed and complied with.

#### **2.4.2 Contract design**

Contracts are always concluded in writing and with the involvement and agreement of the necessary specialist departments. Procedures should be followed so relevant internal approvals are obtained before the contract is concluded. Legally binding declarations may only be made by employees with the appropriate authorization<sup>3</sup> or power of attorney. When passing on internal and confidential information to suppliers and business partners, we ensure that this only takes place in accordance with the "need-to-know principle"<sup>4</sup> and only within the framework of an information flow coordinated with Purchasing. The necessary close cooperation with suppliers does not change the fundamentally different interests involved. Our business partners must also act in accordance with our ethical principles by complying with social, labor, occupational safety and environmental laws in their home countries or operating at a level that is comparable to the European standard. We therefore carry out risk-based due diligence<sup>5</sup> with our business partners. We ensure that our suppliers undertake to comply with our Code of Conduct for Suppliers. If there is reason to believe that one of our partners is violating our principles, this suspicion should be reported immediately.

#### **2.4.3 Consultants and sales agents**

In some business areas, SOK will appoint external consultants to provide support in various ways, which are in the interests of or on behalf of SOK. In order to ensure that the interests of SOK are protected and that the principles of conduct and legal provisions are complied with, the assignment is always carried out by means of a written contract.

#### **2.4.4 Public authorities and political officials**

Public officials are, in particular, employees of authorities and government agencies, but also employees of public institutions (e.g. social insurance, post office, etc.) and, as a rule, employees of companies with state participation. Not only active corruption is punishable, i.e. when employees grant, promise or hold out the prospect of benefits in order to persuade the recipient to perform an unlawful act (in the case of public offi-

cial, even in the case of a lawful act), but also passive corruption, i.e. when an employee demands, is promised or accepts such benefits. Public officials may also not be “rewarded” for a lawful act (e.g. facilitation payments). In addition to cash and equivalent gifts, gifts in kind and invitations to leisure events are also prohibited without exception for public officials.

#### 2.4.5 Political lobbying

Politics and legislation influence the economic framework conditions for economic activity. SOK also influences society through its participation in economic transactions and can introduce the company's positions into decision-making processes in a targeted manner, as part of political lobbying. We lobby centrally and in accordance with the principles of openness, traceability and responsibility. Neutrality in our dealings with political parties and interest groups is a matter of course for us. Unfair influence on politics and legislation is not permitted.

#### 2.4.6 Business relations with public authorities

We are also active in the institutional business, which is divided into a civilian, an executive and a military sector, whereby only observation optics<sup>6</sup> are sold to the military. Other users include air traffic controllers, forestry authorities, national parks, coastguards, mountain rescue services, border guards and similar institutions. We derive all products from the existing product portfolio; we do not develop our own products for the government business. When exporting and selling, we pay strict attention to legal conformity and compliance with international regulations. These are regularly reviewed both internally and externally. (see RL-01162 Public authorities' position)

#### 2.4.7 Behavior towards competitors – Fair Play

We face up to competition and interact with competitors in a legal, professional and fair manner. The principle of fairness also applies when we comment on our competitors' products or services or when we use legal means and methods to obtain information about competitors and their products. We are objective when comparing products or services.

#### 2.4.8 Competition and anti-trust law

Antitrust and competition laws serve to create an environment in which companies compete fairly at all levels. Violations of competition and antitrust law are prosecuted worldwide by antitrust and criminal prosecution authorities and can lead to penalties of millions of euros, up to 10% of the total turnover achieved in the previous financial year, as well as bans on awarding contracts for companies involved and significant sanctions for managers and employees. Any contact with competitors - regardless of the employee level at which it takes place - represents a risk situation under antitrust law. We comply with the rules of fair competition and the antitrust laws and involve the relevant contact partners in the event of any doubts. Prices and conditions may not be agreed between competitors. No markets, regions or customers may be allocated or allocated to one another and no other offers, developments or product strategies may be coordinated. Prohibited

business practices include, in particular, any form of price signaling, sham offers, the establishment of production restrictions or quotas, the division or subdivision of the market by allocating customers, suppliers, regions or business areas, the exchange of information relevant to competition law, bid-rigging and the joint boycott of customers. In this respect, not only the agreement itself is inadmissible, but also concerted practices aimed at it. Even the mere exchange of non-public information with a competitor, particularly relating to prices, costs, margins, corporate strategies, customers and the like, can constitute a breach of antitrust law.

#### 2.4.9 Associations meetings and interest groups

Business associations, interest groups and standards bodies play an important role as industry-wide discussion forums. When attending association meetings, it should be noted that the association members are often competitors and therefore the impression that the association (and its members) is behaving in any way in an anti-competitive manner must be avoided. If we become aware of anti-competitive behavior by other participants in such committees or on the fringes of such association events, immediate withdrawal from the committee concerned should take place. Such instances should be reported to the employee's line manager or the Compliance Manager or entered in the whistleblower portal.

### 2.5 Truthful communication

Our corporate success is closely linked to our brand value and the company's reputation. We therefore have a shared responsibility to protect and maintain our brand and reputation. But acting with integrity means more than just looking after your image or avoiding legal trouble: False statements and misleading information about products and services damage both our reputation and our customers. All our information must therefore be truthful and up-to-date<sup>7</sup>. This applies both to our advertising measures and to individual advice for customers and sales partners. In order to ensure professional communication, only the company's Executive Board, the Head of the Communications Department and the PR Managers are authorized to make statements to the press. Press inquiries of all kinds should be forwarded, without delay, to the people specified previously. To ensure professional corporate communications, we adhere to the following rules:

- Only members of the Management Board or persons responsible for PR or for market and corporate communications speak on behalf of the company.
- Country managers and product managers are also allowed to talk about products.
- On our social media channels, only the social media managers are allowed to comment on behalf of SOK.
- Press inquiries are forwarded to the PR manager(s).

As a result, external publications in all media formats (online, print, TV, radio and social media) as well as speeches, lectures, interviews and panel discussions must be coordinated with Corporate Communications.

## 2.6 Anti-corruption

Corruption is the abuse of entrusted power for personal gain or advantage. Personal advantage refers to benefits that enrich someone personally or put them in a better position. This includes gifts, invitations and other benefits (e.g. cash, vouchers, items, savings, intangible benefits). Corruption prevents progress and innovation, distorts competition and can significantly damage SOK. We therefore reject and fight all forms of corruption. It is forbidden to influence decisions by granting advantages of any kind. This applies both to public officials and to employees of other companies and other institutions, both at home and abroad. Offering or granting advantages to third parties with the aim of obtaining orders or benefits for SOK or other persons and influencing decision-making is prohibited.

### 2.6.1 Gifts, invitations and benefits

No employee may use their official position to demand, accept or procure personal benefits for themselves or a person close to them. Offering and accepting courtesy gifts, invitations and other benefits as part of normal business practices is only permitted within the framework of applicable legal provisions and internal regulations and only to a reasonable, restrained extent. Under no circumstances may they be designed in such a way that influence or even appear to influence. Likewise, there must be no impression that the addressee must conceal the acceptance. Cash or cash equivalents (e.g. vouchers, bank transfers, loans, commissions or similar benefits) may not be accepted, offered or granted under any circumstances. Invitations to professional events and business lunches are permitted within reasonable limits, while invitations to leisure events are prohibited (except in cases of insignificance and in special exceptional cases). The value of a gift, invitation or other benefit is always measured from the perspective of the recipient. (A table with a detailed list can be found in the appendix<sup>8</sup>). Cases of doubt should always be discussed with the line manager or the responsible contact person.

### 2.6.2 Donations and sponsorships

We only make donations to institutions recognized as charitable. We do not pursue any economic self-interest with our donations; we neither demand nor expect anything in return. We do not make donations in cash or in kind to individuals, to private accounts or to political parties or organizations that are closely linked to political parties. In contrast, we use our sponsoring activities to positively shape the reputation and perception of our company through publicity. All sponsoring activities require appropriate and verifiable communication and marketing services from the sponsoring partner and should be handled transparently. In order to avoid conflicts of interest and to ensure uniform behavior within the company, donations and sponsoring measures are only permitted within the framework of the respective legal system and in accordance with the current internal regulations. (see RL-00283 Sponsoring and Cooperation) Careful checks must be carried out to ensure that this is not a covert attempt at bribery.

## 2.7 Money laundering and financing of terrorism

Money laundering is the smuggling of illegally generated money or illegally acquired assets into the legal financial and economic cycle. Terrorist financing occurs when funds or other resources are made available for terrorist criminal activities. Liability for money laundering does not require the person involved to be aware that money is being laundered through the legal transaction or transfer in question. Even unintentional involvement in money laundering can result in severe penalties for all those involved.

It is our declared aim to maintain business relationships only with reputable partners whose business activities comply with legal regulations and whose operating resources are of legitimate origin. We carefully check the identity of customers, business partners and other third parties with whom we wish to do business. In cases of doubt, a thorough check<sup>9</sup> must be carried out in order to obtain as much information as possible about the business partner. We do not enter into any transactions that contain indications of money laundering. All employees are obliged to comply with the applicable money laundering regulations. Under no circumstances may unofficial or unregistered funds, assets or liabilities (slush funds) be created or maintained. Payments on behalf of SOK may only be made within the scope of the applicable authorizations and in compliance with the corresponding approval processes and only on the basis of proper supporting documents.

## 2.8 Product compliance/ material compliance

It is not only a legal obligation, but also an important part of our values to comply with the laws, guidelines and standards applicable to our products and to submit to more extensive internal regulations in order to ensure the satisfaction and safety of our consumers and the well-being of the environment. We ensure the legal and regulatory conformity of our processes and products throughout the entire product life cycle and are guided by the meaning and purpose of the relevant rules and the latest standards of environmental management and consumer protection. In accordance with the precautionary principle and as part of our chemicals management, we work with our compliance partner Tec4U to regularly check suppliers for compliance with the substance requirements from the relevant regulations (REACH, RoHS, critical minerals, etc.), which are set out in the internal guideline RL-01013 Material Compliance. Compliance with the internal guideline is an integral part of every business agreement between SOK and its suppliers.

## 2.9 Export and import

### 2.9.1 Principles of delivery

For all export matters relating to the civilian, executive (law enforcement) and military sectors, it is of central importance to us that our conduct is not only legally but also ethically irreproachable. We set ourselves a strict standard for our actions and critically scrutinize whether we can justify our conduct from an ethical and moral perspective. We operate prudently on the international stage and evaluate decisions carefully. Sometimes we refrain from doing business, even if it would be legally permissible. Potential incoming business must be checked by us in advance using the "export check steps"

clearly defined by the company. (see RL-01161 Export Code of Conduct) Cross-border trade in accordance with applicable law is strictly adhered to by SOK. The export of goods, technology and software is often restricted<sup>10</sup>. SOK is committed to strict compliance with all regulations of the respective countries on export control as well as embargoes and sanctions. We observe the applicable national and international import and export regulations that apply in connection with the manufacture, sale, purchase, provision on loan, use of goods (hardware, software, technologies) and the provision of services (including technical support). We also consider the rules for controlled goods or products and controlled end uses<sup>11</sup>.

### 2.9.2 Import-related bans and restrictions

The regulations also apply regarding import-related prohibitions and restrictions. In this area, it should also be noted that imports are generally subject to duties (customs duties, import sales tax) unless they are imported from countries that belong to a customs union.

### 2.9.3 Sanctions and embargoes

As a globally active company, we also consider country-specific, product-specific and person-specific sanctions. As part of sanctions and embargoes, many countries have issued regulations according to which no business transactions may be carried out with certain (natural or legal) persons. Our own sanctions list checking software provides information on whether and, if so, which personal sanctions or embargoes exist in everyday working life. All employees must comply with the applicable import and export regulations and report any doubts to the Global Trade Compliance & Customs Manager.

### 2.10 Dealing with company assets

We are responsible for the careful and appropriate handling of SOK's tangible and intangible company property. In particular, we ensure that SOK's property is used only for authorized business purposes and is not damaged or used without authorization.

#### 2.10.1 Private use of company resources

The use of company property (e.g. computers, laptops, communication systems and other equipment) for private or non-profit purposes is only permitted with the express permission of the manager or in accordance with the relevant guidelines and/or regulations (e.g. RL-00685 IT Security, RL-00927 Mobile Devices Policy). Under no circumstances may SOK property be used for unlawful or inappropriate purposes (e.g. visiting illegal websites, etc.).

#### 2.10.2 Protection of intellectual property

SOK's intellectual property is critical to our business success and includes, in particular, patents, proposals for technical improvements, trademarks, copyrights, trade secrets, know-how and other intellectual property rights. It is critical that these valuable assets are protected from misuse or unauthorized disclosure. The intellectual property of SOK may only be used by third parties if an appropriate agreement has been made in ad-

vance. (see RL-01157 Non-disclosure agreement) This also applies if SOK wishes to use the intellectual property of third parties. We ensure that no intellectual property rights of third parties are infringed.

Unless otherwise contractually agreed, SOK is the owner of all intellectual property rights created by employees in the course of their work for SOK (see employment contract) or created by third parties for SOK (cooperation contract, development contract). Employees may not privately register or otherwise use intellectual property that they have created as employees of the company without the written consent of SOK. (see RL-00809 Employee invention). Upon leaving the company, employees are obliged to hand over all company-owned documents (originals and copies, analog and digital) and to confirm this in writing upon request.

### 2.11 Protecting information

We attach great importance to targeted communication with our customers, the public, neighbors and suppliers. This involves ensuring that only publicly accessible information is passed on to the right target groups and that the appropriate means and channels of communication are used.

#### 2.11.1 External communication

As a general rule, external third parties may only be provided with information, in particular technical product details or information on products not yet launched on the market, that has been expressly approved for publication. All information and communications intended for the public are distributed exclusively by the Communications Department or the Management Board of SOK. This applies to all communication channels and media. In addition, statements, presentations, name articles and specialist articles that affect the legitimate interests of SOK must be agreed in advance with the line manager and Corporate Communications due to their publicity effect.

#### 2.11.2 Social Media

The right to freedom of expression applies to statements made by employees. When using social media, we ensure that we only make statements as private individuals and not in our capacity as employees of SOK. When expressing opinions in public, at events, in public online forums or in social media networks where we are directly or indirectly recognizable as SOK employees, we take care to identify personal views as such. E-mail, the internet and intranet harbor risks that can lead to considerable damage for SOK if used improperly. In particular, photos or videos of persons, such as other SOK employees, may not be used in electronic media without the consent of the persons depicted and the photographer. (see RL-00883 Social Media Guideline)

#### 2.11.3 Handling trade and business secrets

We are committed to protecting trade and business secrets and other information that is not publicly known, keeping it confidential and using it only for SOK business purposes when necessary. Sensitive information that must be protected includes financial and cost data, business plans and strategies,

pricing information, marketing and sales data, information from and about our business partners and employees, merger and acquisition projects, research and development know-how and intellectual property. There is an obligation to maintain confidentiality about confidential matters vis-à-vis company employees and third parties who are not involved in these matters. The duty of confidentiality also applies to the period after leaving the company. Confidential information vis-à-vis company employees is always deemed to be information for which internal disclosure has been expressly prohibited due to overriding interests (e.g. confidentiality). When passing on all other information internally, appropriate care must be taken regarding its handling and archiving. No documents and information that are not intended for him/her may be made accessible to others. Confidential data must be protected against access by third parties by means of active security. (see RL-01267 Data protection declaration) Business and trade secrets may only be disclosed to third parties after a written NDA (non-disclosure agreement) has been concluded.

#### 2.11.4 Safeguarding data privacy

We are committed to protecting personal data. This may concern both business partners and employees and includes, for example, names, addresses, contact information and dates of birth. Personal data is particularly sensitive and must therefore be carefully protected against unauthorized access and misuse. We are responsible for the careful handling of personal data, which may only be collected, processed, used or passed on in accordance with the applicable legal provisions and internal guidelines. The person responsible for processing this data must also take appropriate measures to ensure the protection of personal data against accidental or unlawful destruction, accidental loss, unauthorized alteration, unauthorized disclosure or unauthorized access. In addition, we undertake to comply with the specified IT standards to ensure the confidentiality and integrity of personal data; RL-00892 Protection of employee-related data.

#### 2.11.5 Data security

Information technology (IT) and electronic data processing (EDP) are an integral part of everyday working life at SOK. However, they harbor a variety of risks. SOK takes these risks very seriously, both in its own interests and in the interests of its business partners and combats such vulnerabilities as soon as they become known. SOK employees are obliged to familiarize themselves with applicable IT/EDP regulations and to comply with the requirements contained therein. (see RL-00685 IT security, RL-00892 Protection of employee-related data, RL-00927 Mobile devices policy, RL-01267 Data protection regulations)

### 2.12 Financial integrity: financial reporting, bookkeeping, accounting and taxes

We maintain transparent and reliable financial reporting and communication with our stakeholders, in particular owners, banks and the relevant government agencies. All records, reports and other documents must therefore be accurate and objective, truthful and in the prescribed form. We ensure that

the documents are managed and stored in accordance with legal requirements and retention periods. In addition, we undertake to comply with all applicable statutory provisions on bookkeeping, accounting and other financial reporting requirements and to comply with the applicable tax regulations.

## 3 IMPLEMENTATION AND CONTACT PERSONS

### Compliance responsibility

Compliance means adhering to the law as well as external and internal regulations. Compliance is a task that must be performed equally by the Management Board, managers and employees.

- **Manager:** In addition to fulfilling their function as a role model, by setting an example of compliant, lawful and ethically correct behavior, managers have the special task of ensuring, with the support of the Compliance Manager, that all employees in their area of responsibility are aware of this Code of Conduct and that it is also followed. This CoC is part of the mandatory annual training provided by the manager. Managers promote a working environment in which questions are asked directly and concerns are discussed openly and are available to their employees as a trustworthy point of contact.
- **Employees:** Employees are expected to continuously inform themselves about the laws and guidelines applicable to the workplace and to comply with them. Employees should critically reflect on their own behavior and, if in doubt, check or seek support. Employees are required to take part in appropriate training and should support colleagues in complying with the rules.
- **Compliance Manager:** Coordinates topics and measures, operates the risk and compliance management system, as well as the reporting system and reporting, supports the specialist departments, risk owner and other stakeholders, ensures the monitoring and evaluation of the appropriateness and effectiveness of the compliance measures, strategies and procedures introduced.

### Dealing with errors

It is part of our self-image that we learn from mistakes as individuals and as an organization. We therefore deal with mistakes transparently and openly and share our experiences to enable further development and innovation. The prerequisite for this is to shape our corporate culture in such a way that mistakes are recognized, discussed and corrected. It is up to each and every one of us to take responsibility and create - or demand - a working environment in which employees have no inhibitions about speaking up about possible mistakes. We treat employees who disclose mistakes fairly and responsibly.

### Consequences in case of violations

For SOK, violations can lead to significant fines, contract award bans, official sanctions, asset seizures, claims for damages from customers or competitors and serious reputational damage. Official investigations, internal investigations or negative

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press coverage due to breaches of applicable law or other regulations also have a lasting negative impact on reputation and therefore on business operations. Ultimately, such behavior puts SOK's jobs at risk.

### Compliance notifications

If SOK becomes aware of any indications of a breach of this Code of Conduct or other SOK guidelines, we expect all employees to report this to their line manager, the relevant management team or the Compliance Manager. Our whistleblower system, which is available to both employees and defined external stakeholders, can be used for reporting. All reports are treated confidentially. The SOK does not permit retaliation against whistleblowers for complaints made in good faith under this Code of Conduct. The SOK therefore clarifies all suspected compliance cases without prejudice. All questions and reports are treated confidentially. Every report received is examined carefully and comprehensively. If necessary, the SOK cooperates with authorities or third parties. However, no denunciation without suspicion of a possible case of non-compliance that is merely intended to harm another employee will be tolerated. If a breach of applicable rules is identified, the necessary measures are taken to remedy the misconduct and prevent it from recurring. Our company processes are reviewed for possible improvements. Depending on their severity, violations may result in measures such as re-training, warning, termination of employment, civil penalties or prosecution under criminal law. The company considers it important to observe the principle of proportionality in such measures and consequences and to ensure that they are appropriate, suitable and necessary in each individual case.

### Control/ revision

The SOK verifies compliance with this Code of Conduct through appropriate checks, and if necessary, with external support.

### Publication of Code of Conduct

This Code of Conduct is formally a guideline and a controlled document in the management system. The Code of Conduct is included in the content of the welcome folder for new employees.

### Contact persons and contacts

Managers are always the first point of contact in cases of doubt and must ensure that the employees for whom they are responsible are familiar with this Code of Conduct. In addition, the Compliance Manager is the responsible internal contact for all questions relating to compliance and the internal rules and regulations. Support in the subsidiaries is provided by corresponding compliance ambassadors.

### Risk- and Compliance Manager:

Risk- and Compliance Management

Daniel-Swarovski-Straße 70

6067 Absam, Austria

T +43 5223 511-6475

M +43 664 8555641

[compliance@swarovskioptik.com](mailto:compliance@swarovskioptik.com)

### Link to the whistleblower-system

[https://whistleblowersoftware.com/secure/Swarovski\\_Optik](https://whistleblowersoftware.com/secure/Swarovski_Optik)

- permanent Link in intranet „LUPE“ under „RL, BV, Gesetze“:  
[Optiks Lupe \(swarovskioptik.at\)](https://www.swarovskioptik.at/optiks-lupe)
- or QR-Code via Smartphone



## ENDNOTES

<sup>1</sup> The term “employees” is used here to refer to the Executive Board and management of the companies, managers, employees, interns, holiday workers, temporary workers, etc. A separate Code of Conduct for Suppliers is available for suppliers. Gender note: For reasons of better readability, the simultaneous use of the language forms male, female and diverse (m/f/d) is omitted in places. All personal designations apply equally to all genders.

<sup>2</sup> Purchasing regulations: RL-00309 Selection and evaluation of suppliers, RL-00310 Supplier approval

<sup>3</sup> See also RL-00303 Signature regulations, RL- 00771 Framework conditions Signature regulations

<sup>4</sup> Need-to-know principle: Only information that is directly necessary for the specific completion of the task is made available. Regulations for cooperation with business partners can be found in the QM manual: NDA templates

<sup>5</sup> Risk-based due diligence: The frequency and depth of the audit is differentiated according to the stakeholder's risk assessment.

<sup>6</sup> Kahles can also sell optics for military use within the EU.

<sup>7</sup> Product-specific information complies with ISO-14133-2

<sup>8</sup> For details on gifts and invitations, see table in the appendix

<sup>9</sup> Risk-based due diligence: The frequency and depth of the audit is differentiated according to the stakeholder's risk assessment.

<sup>10</sup> This is intended to limit conflicts and prevent the emergence of new conflicts, as well as to protect the security of states by cutting off terrorist groups and hostile regimes from armaments and technologies. Violations can have serious consequences for the company, and employees can also be personally liable under civil and criminal law. In addition, the company can be placed on a so-called “blacklist”, which would preclude participation in public tenders, jeopardize relationships with banks and lead to delivery delays. Violations of tax regulations are also punishable by law.



**Code of conduct for Employees**

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<sup>11</sup> Controlled goods or products, - End uses: Products (hardware, software, samples, design drawings, files, etc.) that are subject to export restrictions can generally be divided into three groups:

- Military goods: goods that serve military purposes and are typically developed for such purposes.
- Dual-use goods: goods that primarily serve civilian purposes but can be used for military or other prohibited purposes without excessive effort.
- Sanctioned goods: goods that may not be exported to certain countries due to sanctions or embargoes.

Even if a product is not subject to export restrictions due to its specific characteristics, its export may be restricted or prohibited if it is to be used for certain prohibited purposes. Such prohibited purposes include, in particular, use in connection with weapons of mass destruction and use for military purposes in countries subject to an arms embargo.

**Gifts and invitations:**

| Stakeholder  | With business partners<br>(suppliers, service providers, customers, etc.)         |  | With public officials<br>(authorities, state or state-related companies, etc.) |   |
|--|---|--|--|---|
|  | Employee is invited/ receives gift  | We invite/ give gift   | Employee is invited/ receives gift   | We invite/ give gift                        |
| Usual business meals   | permitted according to local standards  | permitted according to local standards   | prohibited   | prohibited                                  |
| Minor, local or nationally customary attentions of low value                     | permitted   | permitted  | theoretically permitted in AT, not recommended                                 | Theoretic. permitted in AT, not recommended |
| Medium-sized gifts for special occasions (e.g. 10 bottles of wine for Christmas) | Coordination with supervisor  | e.g. crystal animals as a gift, approval via budget/cost center  | prohibited   | prohibited                                  |
| Larger gifts (e.g. binoculars, etc.)   | Written approval by supervisor; ensure that no influence is exerted on a decision | e.g. binoculars, etc. Written approval by supervisor; ensure that there is no influence on a decision      | prohibited   | prohibited                                  |
| Gifts of money or equivalent (vouchers, individual discounts, loans, etc.)       | prohibited  | prohibited   | prohibited   | prohibited                                  |
| Corporate discounts from companies for all Swarovski employees                   | permitted   | permitted, a business partner discount is possible for important business partners; approval by supervisor |  |   |
| Special discounts/conditions for suppliers for individuals                       | Clarification of whether there is a conflict of interest; approval by supervisor  |  |  |   |
| Invitations to specialist events, conferences, etc.                              | Approval by supervisor  | Invitation of business partners in compliance with defined processes permitted                             | prohibited   | prohibited                                  |
| Invitations to leisure events  | prohibited (exceptions can be approved by superiors)                              | prohibited (exceptions may be authorized by supervisors)   | prohibited   | prohibited                                  |

**4. DISTRIBUTION LIST**

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Approval: 2024-05-07      Name: EXBO: Schwarz, Gerk, Saller

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|         |            |                             |      |             |