Code of Conduct
for the ZEISS Group
ZEISS is a company dedicated to delivering optimum performance and meeting the highest demands, in terms of not only technology, but also compliance with the “rules” of good and fair behavior in competition and when dealing with our employees, customers and business partners.

Therefore, ZEISS approved a globally valid Code of Conduct in 2007. It stipulates 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. It is our firm conviction that sustainable economic success is inseparable from compliance with laws and our internal standards, and thus depends on every single employee.

The Code of Conduct satisfies in full the requirements found in the Code of Conduct of the Responsible Business Alliance (RBA).

The Code of Conduct does not intend to explicitly reference all legal regulations which apply to our business conduct. Instead, it explicitly addresses those subject areas which are essential for the sustained success of ZEISS and, in the event of a violation, can result in severe financial penalties or reputation damage.

Thus all supervisors and employees are expected to also adhere to the laws and rules in those cases which are not expressly addressed in this Code of Conduct.

By using this Code of Conduct as a guideline for your daily activities and setting your targets, you will see that we already practice most of what is contained in these pages every day.

However, there may be individual areas with room for improvement, as continuous improvement is an integral part of everything that we do, and is a fundamental principle of ZEISS. The ZEISS Executive Board provides the framework and resources, and ensures the implementation of this Code, together with the management teams of all ZEISS companies.

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# Table of Contents

1. Principles
2. Fair treatment of employees and business partners
3. Fair competition
4. Fighting corruption
5. Handling company property
6. Protection of trade secrets and IT security
7. Ban on insider trading
8. Avoiding conflicts of interest and private activities
9. Adherence to export controls and customs regulations
10. Occupational health and safety
11. Product safety and quality
12. Environmental protection, efficient use of energy and sustainability
13. Protection of personal data
14. Financial integrity and anti-money laundering
15. What to do when in doubt and contacts for reporting suspected violations
16. Special responsibilities of supervisors
ZEISS’s success requires the skill, dedication and responsible actions of every employee.

Responsibility towards people and nature as well as fairness and tolerance characterize and shape our company culture to a high degree.

Our corporate values define the actions of our employees who play a major role in ensuring the success of the company. We invest in the training of our employees, assign responsibility to them, and recognize their achievements.

No matter where our employees work, following all applicable laws, regulations and company policies in the countries where we work or do business is required and is critical to ZEISS’ success.

Global laws and regulations are complex, subject to change, and often vary from country to country. Each employee is obligated to know and follow the laws, regulations and company policies that apply to his or her work, and to seek guidance if the employee has questions.

These are the most important principles:

- Legally-compliant and ethically flawless conduct, especially constant adherence to all applicable laws and regulations
- Social commitment
- Fair, polite and respectful interaction with colleagues and business partners
- Refraining from any form of discrimination
- Professionalism, fairness and reliability in all business dealings
- Loyalty to ZEISS
Our employees and business partners (customers, sales partners and suppliers) are the central focus of our activities. Respective relationships shall be marked by mutual reliability and sustainability. Honesty in our actions, politeness in our dealings with each other as well as respect and fairness are expected of us.

Fair treatment of our employees also means fair working conditions. This includes the free choice of employment, i.e. the prohibition against forced or slave labor, human trafficking or child labor, complying with compensation that has been legally or contractually stipulated or agreed upon, the freedom of association and the right to humane treatment at work.

Moreover, no one 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.

These principles can only be implemented if they are practiced by management personnel towards employees and observed by employees in their interactions with each other.

How do we act appropriately?
We do this by …

- Ensuring a good working atmosphere both in what we do and where we work
- Respecting cultural differences
- Not disadvantaging or discriminating against anyone because of their ethnic or social background, skin color, gender, age, marital status, disability, religion, nationality, sexual identity or any other characteristic
- Treating each other in a friendly, polite and respectful manner
- Making and communicating decisions in a transparent and comprehensible manner
- Promoting fair working conditions and upholding human rights not only within our company, but also at our business partners’ sites
- Requesting our business partners to comply with the relevant laws and regulations including data protection, environmental protection, occupational safety and energy

For more information on the requirements, please see the company policies about Business Processes and Supply Chain.
Regulations to protect fair competition are an essential part of a free market economy. Almost all countries have passed laws on this issue. In particular, these laws:

- Prohibit collusion and the exchange of information between competitors on prices, division of territories, product quantities or other parameters relating to competition
- Prohibit price fixing by sales partners
- Prohibit the abuse of a dominant market position

These types of prohibited agreements include informal discussions, informal “gentlemen’s” agreements and coordinated behavior in so far as a measure to limit competition is arranged or implemented. We must avoid even the appearance of coordinated behavior.

Violations of these laws can result in considerable damages for the company, e.g. fines or damage to reputation, and for the employees involved, e.g. personal fines that can not be paid by the company.

How do we act appropriately?
We do this by …

- Not colluding with competitors about parameters which affect competition, e.g. prices, price changes, conditions, product quantities, sales areas, customer allocation
- Not exchanging any information about parameters affecting competition with competitors
- Not influencing our sales partners’ pricing or other sales terms (by either threatening to impose penalties or promising privileges)
- Not interfering in tender processes, i.e. we do not agree on quotes with competitors and do not prompt the persons inviting tenders to divulge information to us which has not been made public
- Not taking advantage of market-dominant positions (i.e. through a supplier boycott)
- Not making any untrue or misleading marketing statements

For more information on the requirements, please see the company policies about Compliance.
We want to be successful in competition because the price, performance and quality of our products and services impress, and not because the procurement decision was influenced in some other way.

Corrupt behavior is prohibited. Corrupt behavior can be said to exist if a person demands, accepts, offers or grants personal privileges to receive preferential treatment in the initiation, awarding or processing of an order. Both the person granting (or promising) the benefit and the person demanding (or accepting) it are criminally liable.

A personal privilege is any kind of benefit such as cash payments (e.g. donations), non-cash benefits (e.g. a voucher, invitation, prohibited price reduction) or material gifts.

A distinction must be made between corrupt conduct and granting or accepting invitations and gifts. This may be permissible if it concerns “socially typical benefits” and if these invitations are not made with the intention of providing preferential treatment, e.g. in connection with the awarding of a contract. However, the appearance of improper influence can also quickly emerge in these cases, thus caution is generally required with invitations and gifts, especially when it concerns domestic and foreign officials (e.g. official representatives or government organizations) and employees from the medical sector (e.g. doctors and pharmacists).

In some countries, invitations and gifts made to these individuals are always prohibited.

How should we behave?
We should …

- Not base business decisions on whether or not they will benefit us personally
- Not attempt to influence business decisions in ZEISS’s favor by granting or offering personal benefits to decision-makers of business partners
- Reject bribery attempts and immediately notify your supervisor or the Compliance Officer
- Be very cautious when it comes to invitations and gifts, i.e. use € 50 as a yardstick (or the corresponding value in the national currency)
- Accept inappropriate gifts which cannot be rejected due to courtesy and make them available to the team (e.g. for an internal drawing)
- Not offer or extend any invitations or give any gifts to office holders or employees in the medical or governmental sector.
- This may not apply to appropriate invitations to a business lunch / dinner or low-value hospitality connected to product presentations or training events
- If in doubt, discuss the issue with your supervisor or the Compliance Officer

For more information on the requirements, please see the company policies about Compliance.
5 Handling company property

Due Dilligence

Each employee is obligated to treat all operating equipment, in particular machines and tools as well as all information and communication systems carefully and in accordance with their intended purpose. The workplace and all facilities that serve the workforce or the company must always be kept orderly and damage must be reported to the supervisor.

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

Violations may result in consequences under legal or labor law for the particular employee.

How do we act appropriately?
We do this by …

- Protecting all company property as well as information and communication systems from loss, damage or misuse
- Reporting damage or loss immediately
- Using the resources made available by the company sparingly and carefully
- Adhering to the respective valid travel directive when booking and invoicing business trips
- Using property or removing property from the company for private purposes only with the permission of the supervisor
- Never using company property for illegal or any other unauthorized purposes (e.g. visiting illegal websites)
- Being vigilant about a third party attempt to damage our company property, e.g. through theft, fraud, hacker attacks, etc.

For more information on the requirements, please see the company policies about Security.
Our inventions and know-how are of particular importance for the long-term success of our company. Therefore, our intellectual property must be protected by preventing third parties from gaining knowledge of or obtaining unauthorized access to it. Intellectual property rights comprise, for example, inventions and product prototypes as well as trade securities, including details about customers, suppliers or software.

IT security supports the protection of intellectual property against access by unauthorized third parties, against data theft, know-how drain or the consequences of malware through diverse IT security measures such as passwords, anti-virus programs and access concepts.

Furthermore, without approval, 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 ZEISS employees.

The loss of company secrets can have a negative impact on both the future success of the company and on the employees.

How do we act appropriately?
We do this by …

- Keeping confidential information concerning the company secret and not divulging it to unauthorized persons (this includes family and friends)
- Protecting records and files from unauthorized access (encryption)
- Complying with security standards stipulated by IT and Corporate Security, both in personal communications and in electronic communication with third parties and also applying these same standards to confidential information made available to us by third parties
- Not divulging confidential information when using social media
- Not saving company data on private electronic devices
- Not connecting any private electronic devices to the company network

For more information on the requirements, please see the company policies about Brand, Communication and Security.
Insider Information

Insider trading laws are intended to protect investors. They prohibit:

- Exploiting insider information to gain direct or indirect personal benefits when purchasing or selling securities
- The unauthorized dissemination of such information

Insider information is information which is not yet known on the market and whose disclosure can considerably influence the market price of the affected shares (i.e. information on planned company acquisitions, strategic agreement for a joint venture between two companies, financial results, new products, problems with products or important agreements).

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

How do we act appropriately?
We do this by …

- Not using information which we obtain about listed companies (e.g. Carl Zeiss Meditec AG or others) within the scope of our business activity and which can influence the market value to buy or sell shares of this company so long as this information has not yet been made public
- Not divulging such information to third parties and not making recommendations to these third parties related to the purchase or sale of shares (the term “third parties” also refers to family members, partners, friends, or other ZEISS employees who do not possess this information)

For more information on the requirements, please see the company policies about Compliance.
In our everyday business, there may be situations in which private or personal interests or relationships conflict with those of ZEISS. Conflicts can, for example, occur in connection with one’s own (sideline) entrepreneurial activity. Under certain circumstances they can also result from that of family members.

To prevent conflicts of interest, the human resources department responsible must be informed about additional (entrepreneurial) activities, honorary appointments or similar pursuits and approval must be granted.

ZEISS supports the social and political commitment of its employees. However, any activity in clubs, political parties, or other social or political institutions, whether as an elected official or as an honorary appointment, must not interfere with the fulfillment of the employee’s duties stipulated in the contract of employment.

Non-disclosed conflicts of interest and unapproved sideline activities can mean damages for the company and result in legal consequences for the particular employee.

How do we act appropriately?
We do this by …

- Declaring potential or actual conflicts of interest to our supervisor
- Handing over decisions in which we have a conflict of interest to our colleagues or supervisors
- Not inducing any related party (e.g. family member, partner) to perform activities which we may not perform ourselves due to a conflict of interest
- Informing our supervisor/human resources and obtaining permission from human resources if we begin a sideline activity (accepting an additional position in another company, working for another company, undertaking one’s own entrepreneurial activity)
- Informing our supervisor if we assume a honorary office (e.g. as a juror, local council, trainer, etc.) in order to prevent conflicts with the obligations stipulated in the employment agreement

For more information on the requirements, please see the company policies about Compliance.
Adherence to export controls and customs regulations

Restriction on Free Movement of Goods

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 and embargoes limit or prohibit 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.

ZEISS is also committed to combating smuggling. Within the scope of all import and export business it performs, each ZEISS company and its acting employees must comply with the respective customs regulations.

Apart from the consequences for the respective business unit, violations of the aforementioned regulations can severely damage the reputation of the entire company and have incalculable consequences.

How do we act appropriately?
We do this by …

- Having the responsible experts check whether there are limitations or prohibitions when purchasing, selling, facilitating or putting on market goods and services as well as when transferring technologies
- Obtaining necessary official permits before performing the particular act, if applicable
- Checking and observing the particular conditions stipulated by customs for import and export transactions

For more information on the requirements, please see the company policies about Export Control.
Safety at Work

Safety in the workplace and protecting the health of all employees is a fundamental principle for ZEISS and has been enshrined in the Foundation statutes.

Therefore, each ZEISS entity has to take the necessary measures in line with its business operations to prevent accidents and to minimize occupational health and safety risks as well as to create humane working conditions.

For us, occupational health and safety also includes the professional support of our employees before and during business trips.

Each supervisor is responsible for the protection of their employees and must provide them with appropriate instruction, training, guidance and supervision.

How do we act appropriately?

We do this by …

- Adhering to safety regulations (e.g. when handling hazardous substances).
- Developing an awareness of hazards and safety-relevant activities
- Being sufficiently cautious so that potentially dangerous situations do not arise in the first place
- Eliminating hazardous situations
- Immediately reporting all detected accidents or potential hazards and exposures as well as near misses to the responsible supervisor
- Resolving safety issues related to travel in advance of business trips
- Using the precautionary measures offered by the company

For more information on the requirements, please see the company policies about Occupational Health and Safety.
ZEISS products, solutions, and services must be safe, and must meet the required quality and performance specifications to deliver effective, precise, and optimal results in line with their intended field of application.

We support our customers’ success by innovation, reliability, and user-friendliness and by fostering sustainable business relations.

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’s site and during servicing.

A multitude of legal stipulations relating to the development, design, production, approval and sale of our products serve to guarantee the safety of our products. ZEISS products must not endanger the safety and health of consumers or operators and must meet certain quality standards.

Defective products may cause significant damage, not only to the company (e.g. product recalls, reputation), but also and especially to the consumer or operator.

How do we act appropriately?

We do this by …

- Observing the applicable standards and specifications
- Obtaining all necessary permits for a product launch
- Informing our customers and taking immediate action if we learn of hazards resulting from our products

For more information on the requirements, please see the company policies about Business Processes and Supply Chain.
Our company is committed to environmental protection as a corporate objective enshrined in the statutes and declares the sparing use of resources and continuous improvement of energy performance is a pivotal factor in our business activities. The following commitments apply:

- Environmental protection, the careful and economical use of all resources including energy, as well as regulated recycling and disposal, are central elements of our corporate philosophy. This allows us to prevent or minimize any negative impact on people, the environment and nature, and to improve our energy performance on an ongoing basis
- Following relevant legal obligations related to environmental protection and energy
- We incorporate the requirements of an intact environment into the development, design, manufacturing, packaging and shipping of our products, as well as the improvement of our related business activities. Furthermore, in design activities related to products, facilities and equipment, we recognize the improvement of energy performance
- Maximum efficiency in the use of resources while simultaneously ensuring sustainable economic viability is one of our fundamental principles

Violations of applicable regulations can not only harm people and nature, but also the success of the company in the long term (e.g. loss of reputation, fines).

How do we act appropriately?
We do this by …

- Using resources (e.g. water, paper, electricity) sparingly, disposing of and recycling resources in accordance with regulations
- Considering environmental protection and energy efficiency measures in the entire value creation and product development process
- Creating sustainable products and value chains
- Disposing of waste in an environmentally friendly manner
- Supporting the procurement of energy efficient products and services
- Informing the relevant providers that environmental protection, occupational health and safety and energy performance is one of our selection and evaluation criteria
- Preventing environmental damage by reporting environmental risks
- Informing the internal experts immediately in the event environmental damage has occurred. These then arrange the legally prescribed report to the according authority

For more information on the requirements, please see the company policies about Environmental Protection, Energy and Sustainability.
The simpler and more comprehensive data processing becomes, the more important it is to protect the person-specific data of our customers, business partners and employees (e.g. name, address, date of birth, tax number, health information). These person-specific data may only be divulged and processed within the scope of the respective valid laws.

A multitude of laws and regulations relating to data protection serve to guarantee the privacy of personal data. Violations of data protection stipulations are punished with large fines.

How do we act appropriately?
We do this by …

- Operating a groupwide data protection management system
- Having a Corporate Data Protection Officer and a global Data Protection Team
- Having an overview of the extent to which we deal with person-specific data
- Protecting the person-related data from unauthorized access (e.g. observing the required security standards in electronic dealings with third parties)
- Collecting, storing or sharing person-related data only to the extent necessary to execute the legally permitted task
- Monitoring and disposing of person-related data in a secure manner;
- Committing our partners to the same high data protection standards

For more information on the requirements, please see the company policies about Data Protection.
Transactions

All business transactions must be duly reproduced in accounting documents, balances and tax returns. Thus it is necessary that all relevant issues be correctly and completely captured as well as documented and archived in a replicable manner. Any non-compliance carries the risk of being subject to investigations because of balance sheet manipulation, falsifying documents, fraud allegations, tax offenses or money laundering.

Money laundering refers to disguising the source of illegally obtained assets (e.g. through terrorism, drug trafficking, corruption and other criminal offenses) in order to bring them into the legal economic cycle and thereby make them ostensibly legitimate assets. It’s ZEISS’ declared objective not to be abused for money laundering and other illegal purposes nor to contribute to it.

How do we act appropriately?
We do this by …

- Adhering to financial reporting standards
- Not performing any business outside of the normal processes
- Archiving all documents associated with business transactions in an organized manner
- Adhering to legal obligations to archive records
- Neither changing nor destroying documents haphazardly which are related to government investigations or civil disputes
- Not closing any business if there are indications of possible money laundering and, in case of doubt, discussing the matter with the particular supervisor or the Compliance Officer responsible

For more information on the requirements, please see the company policies about Finance and Controlling.
Every employee is expected to seek the advice and support of their supervisors, the responsible departments, their employee representatives or the Compliance organization should the employee doubt the legality of their own behavior or should there be evidence of legally dubious processes in their work environment.

You will find the list of all Compliance Officers as well as further information on the intranet under Compliance.

If employees cannot or do not want to address an incident to their supervisor or the Compliance Organization, the whistleblowing “Integrity line” tool can be used, which enables anonymous reporting. It’s available in the intranet as well as for third parties on the internet website.

All concerns are taken seriously, and the person voicing their concern should not fear any disciplinary measures or sanctions, even if the alleged misconduct is not confirmed. However, knowingly making a false or malicious accusation will not be tolerated.

Confidentiality will be ensured if the person making the accusation so wishes.

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**How do we act appropriately?**

We do this by …

- Being courageous and making inquiries if we are in doubt or informing others of suspected misconduct
- Taking action by reporting concerns, either locally or, if concerns are not being addressed, by reporting it to the superordinate compliance organization or the “Integrity Line”

More information on this topic is available on the Compliance webpage.
Executives and supervisors bear a particular responsibility in shaping corporate culture and setting a “tone from and at the top”. Management’s commitment to compliance principles should be demonstrated (acting as a role model) by consistent behavior and constant adherence to the Code of Conduct.

Senior leaders and managers demonstrate their constant commitment to compliance, including their remediation efforts when non-compliance is detected.

They must

- Serve as a model and constantly communicate the importance of Compliance to all employees
- Ensure that their employees know, understand and adhere to the requirements of the Code of Conduct
- Conduct the necessary information and training courses for their employees.
- Ensure the occupational safety and health of their employees in daily business
- Set targets in line with the Code of Conduct
- Perform corrective or disciplinary measures in case of infringements of the law, the Code of Conduct, or other regulations
- Act as contacts for employees and support them, e.g. by following up on tips concerning misconduct

For more information on the requirements, please see the ZEISS Blue Book and the company policies/principles about Leadership.