

WHAT WE STAND FOR

Code of Conduct

Photona GmbH (Holding) and Laser Components Group

- both are hereinafter called “The COMPANY” -

ONE CODE FOR ALL

The trust of customers and stakeholders in our Company and its products is our most valuable asset. We can only strengthen public trust and protect the Laser Components Group, its employees and our environment by conducting ourselves with integrity and honesty. That includes being familiar with the applicable statutory regulations and internal rules, and complying with them. This Code of Conduct is the basis for our actions.

We all share responsibility for our company’s success and our contribution to sustainable development through our conduct and our actions. Our shared values determine how we work, how we make decisions, and how we interact with one another and all living creatures.

Our Code of Conduct translates these values into standards and ethical principles. These are binding on executives and employees alike – at all levels and in all affiliates worldwide. The Code provides guidance for making decisions, both in our daily work and in difficult situations. And it helps us identify mistakes and respond appropriately.

Why do we have a Code?

It’s not always easy to understand laws and guidelines as they stand – especially when they relate to different countries. In a globalized world full of more and more complex regulations, it’s sometimes difficult to judge whether certain behavior is ethical and complies with the law. Our Code of Conduct creates a common basis for our daily work. It brings together and explains the key rules and requirements governing our business functions and systematizes them in a binding form. As such, it helps our staff maintain a bold and entrepreneurial approach to their work. It offers a concrete framework for our longstanding commitment to fair and sustainable behavior. We are all called upon to take what it says seriously, to live by it, and to defend it.

Our Management team around the world will be happy to answer your questions or concerns at any time, as will your colleagues in Human Resources.

On behalf of the entire Executive Board



Patrick Paul, CEO

Who is covered by the Code of Conduct?

This Code of Conduct is a voluntary commitment to ethical behavior. It describes the principles underlying our decisions and actions. The Code of Conduct is intended to help employees, managers and board members alike to understand and follow our principles and to preserve them for posterity.

The Code of Conduct applies to the entire Group worldwide.

Photona Holding's subsidiaries may supplement it with country-specific guidelines, provided they are consistent with this standard.

Our Code of Conduct expresses our personal commitment to earning this trust every day, in each community and in all our business activities. It reflects our values through clear and simple direction for all our employees and business partners.

OUR CORE VALUES

1. WE COMPLY WITH APPLICABLE LAWS AND GUIDELINES

We undertake to observe and comply with all applicable laws and regulations. This commitment naturally also extends to all guidelines and policies that are in force, as well as to accepted norms in the cultures and countries in which we do business.

2. WE REPRESENT THE COMPANY

We know that we represent The COMPANY in what we do and how we do it. Our work and our behavior contribute to the company's positive image and to its business success. We observe and comply with the Code of Conduct, promote its principles within the company, and live by it in what we do. Managers have a particular duty here: They set an example for employees and assist them in complying with legal requirements, as well as with any questions or concerns they may have. And they help them to act ethically at all times.

3. WE HELP ENSURE PRODUCT SAFETY AND QUALITY

We know that quality assurance and the safety and reliability of our products are the basis for our success – and therefore core business principles. We make any necessary improvements systematically and sustainably and comply with international product safety and quality standards at all times. For example, all of the raw materials and packaging we use have gone through an iterative selection process. We aim to meet our customers' high product quality expectations every time. And we rely on all staff throughout the world to do so. For us, quality is a dynamic process of continuous improvement.

4. WE STAND FOR FREE COMPETITION AND ANTITRUST LEGISLATION

We are committed to upholding the rules of free and fair competition for the benefit of all market players. Our company works to ensure that businesses can operate freely in the market, both now and in the future. This is a core principle of antitrust legislation throughout the world and is therefore binding on the Company.

5. WE DO NOT TOLERATE CORRUPTION

We adhere to the highest standards of moral and ethical conduct, to respect local laws and not engage in any form of corrupt practices, including but not limited to extortion, fraud, or bribery.

We will not put up with corruption of any kind. Conferring illegal benefits on third parties such as public office holders and employees of private companies is forbidden throughout the Group.

There are no exceptions to this ban – it applies whoever the potential beneficiary is, wherever in the world they are, and whatever the reason for conferring the benefits might be. The ban on corruption also means that we do not ask for, accept, offer, or confer any personal benefits in connection with our business activities.

OUR WORKING ENVIRONMENT

6. WE PROMOTE HEALTH AND SAFETY AT WORK

The COMPANY has a duty to provide all employees with safe, healthy working conditions and to enhance these continuously. We perform regular hazard assessments and take measures to minimize risks. We also regularly train staff on health and safety, and check that our strict occupational safety standards are observed. We can all make the COMPANY a safe place to work.

The following rules should be second nature to us:

- WE COMPLY WITH THE GUIDELINES on health and safety at work.
- WE ACT CAUTIOUSLY so as not to endanger others.
- WE THINK THINGS THROUGH and are careful, so as to avoid hazardous situations. If a dangerous Situation arises, we make sure the problem is solved immediately and that our colleagues are informed appropriately.
- WE REPORT all hazardous incidents to our supervisors or managers and senior management

7. WE LIVE DIVERSITY AND EQUAL OPPORTUNITIES

As an international company, we are committed to diversity, tolerance, and equal opportunities. We value variety. Our employees' wide range of backgrounds help us better understand our customers around the world and encourage creativity. We expressly reject all forms of direct and indirect discrimination in all areas of the company and in all decisions. This includes discrimination on the basis of gender, age, color, religion, ideology, sexual orientation, or disability. Equally, cultural, ethnic, and national origins, and political and philosophical views cannot play any role. In line with this, The COMPANY sets great store by a culture of mutual trust and respect. Employees who feel harassed or who see other people being harassed or treated disrespectfully can contact their supervisor/line manager or a member of the HR department at any time. COMPANY's HR will investigate any information suggesting that these rules are being broken or disregarded. Any such tips will, of course, be treated with discretion. We all contribute to COMPANY's success by treating each other respectfully, professionally, and in a friendly manner.

8. WE OFFER FAIR WORKING CONDITIONS

Promoting employee loyalty and an emotional bond with the company are core human resources goals at the COMPANY. We offer fair, competitive working conditions. These include compensation

packages and working policies that at the least comply with, or exceed, local minimum requirements or prevailing industrial standards. Wherever legally binding collective agreements exist, we naturally implement and observe the compensation arrangements and agreements on working policies that are set out in them. We respect all employees' dignity and hence their right to choose whether or not to join a trade union or other organizations representing their interests. We take a constructive, long-term, and trusting approach to our work with employee representative bodies and trade unions. We also encourage frank and open dialog with employees. Our staff have the right and the opportunity to express and pursue their concerns through fair, trusting, and transparent procedures.

9. WE DO NOT TOLERATE CHILD LABOR OR SLAVE LABOR

We will not stand for any form of slave labor or human trafficking. Equally, we do not tolerate child labor or employ young people below the relevant statutory minimum age.

CONFLICTS OF INTEREST, GIFTS, AND INVITATIONS

10. WE DISCLOSE CONFLICTS OF INTEREST

We know that professional decisions relating to our work for the COMPANY cannot be influenced by private interests or personal relationships. We therefore need to avoid situations in which conflicts of interest can arise. We always inform our supervisors or managers without delay of any non-work-related circumstances that could potentially influence our business decisions. Among other things, this includes employees' personal and business relationships with, and obligations to, suppliers, competitors, or other business partners.

11. WE DO NOT ACCEPT GIFTS OR INVITATIONS

Gifts and invitations, especially where they are of high value, can give the impression that the donor or host expects to receive a benefit in return. The mere suggestion of this can trigger investigations by the authorities and can damage the reputations of individual employees and of The COMPANY itself. The following rules serve to protect us all, as well as the company:

- WE DO NOT ACCEPT any high-value gifts, gifts of money, or financial benefits as a matter of principle, nor do we confer them on representatives of other companies.
- ONLY IN EXCEPTIONAL CASES do we accept or confer low-value presents, and only where these are appropriate and no gifts or favors are expected in return. We take care to ensure that invitations are appropriate and that nothing is expected in return. Strict rules on giving presents and invitations to public office holders apply in almost all jurisdictions worldwide. Such presents and invitations are therefore normally prohibited at The COMPANY.
- WE DO NOT ACCEPT gifts or inappropriate invitations from business partners as a matter of principle. The only exceptions to this are low-value gifts such as advertising and promotional materials.
- WE DO NOT SEND gifts or invitations to private addresses, nor do we accept any gifts or invitations that are sent to us at home.

HANDLING INFORMATION, RESOURCES, AND FINANCIAL ISSUES

12. WE TREAT ACCOUNTING AND FINANCIAL RECORDS WITH CARE

Proper handling of our financial records is critical for our company. This is why we are all committed to complying with national and international accounting rules. Local accounting and reporting in the affiliates is performed in accordance with local GAAP. Group accounting and reporting, both external and internal, uses the International Financial Reporting Standards. Our financial records serve as the basis for managing our business. They give stakeholders an accurate, timely picture of our business performance and the relevant facts.

13. WE PROTECT PERSONAL DATA

All employees have a duty to protect personal data entrusted to them by consumers, customers, business partners, and employees. We only use data for specific legitimate purposes that are defined at the time of collection. And we only use the data that we need to achieve this purpose. Furthermore, we observe all applicable information, reporting, and disclosure obligations to supervisory authorities and data subjects. We ensure that we and our service providers take appropriate technical and organizational measures to prevent unauthorized data access and dissemination, and to preserve data integrity and availability

14. WE PROTECT CONFIDENTIAL INFORMATION

Our knowledge is a valuable asset that forms the basis for our company's success. Protecting this know-how is extremely important, which is why we look after our information. Our know-how includes inventions, product and packaging prototypes, formulas, product ideas, customer and supplier details, and other business secrets. We protect physical records and computer files against unauthorized access. We select passwords that comply with our security standards, change them at regular intervals, and do not disclose them to others. We ensure that nobody can access our data, be it electronic or on paper, during our absence. We discuss confidential topics in such a way that no unauthorized third parties can overhear us.

15. WE USE COMPANY RESOURCES WITH CARE

The COMPANY provides all employees with resources with which to achieve our common goals. Only if these are deployed efficiently at all levels can we ensure the company's long-term success. The waste or misuse of resources – including working time – impacts the COMPANY's operating and financial performance, and so affects us all. Each and every one of us can help prevent this. We are cost-aware and check carefully whether expenditures are necessary and reasonable. We take care of company property and protect it against damage, destruction, and theft. We keep private use of IT facilities – including e-mails, Internet access, and telephone calls – to a reasonable level.

16. WE COMPLY WITH THE LAW ON INSIDER TRADING

We do not engage in insider trading nor do we make any such recommendations to any third party or incite any third party to engage in insider trading. Furthermore, we do not divulge inside information unless this is required during the course of our normal work, and we comply with the relevant internal rules.

Employees who have access to inside information are not permitted to use this information to buy or sell financial instruments in them (or associated financial instruments) directly or indirectly for their own account or for the account of others (or to modify or cancel an existing sale or purchase order)

In addition, the information may not be disclosed or made available unlawfully to third parties such as journalists, consultants, bankers, customers, family members, or friends. Equally, this information may not be used to recommend that third parties buy or sell the financial instruments concerned, or to induce them to do. The prohibition remains in force until the information is no longer classified as inside information.

SOCIETY AND THE COMMUNITY

17. WE TAKE RESPONSIBILITY FOR OUR ENVIRONMENT

We bear responsibility for the environmental compatibility and sustainability of our products, locations and services. Therefore, we bear environmental protection in mind in our work and use resources and energy economically and efficiently and we focus on environmentally friendly, advanced, and efficient technologies.

18. WE ARE SOCIALLY RESPONSIBLE

We are aware that we have a substantial responsibility to society. This is why we make appropriate donations of money and noncash contributions to projects that focus exclusively on family support. We do not make financial donations to political parties or similar institutions, or to individuals.

OBSERVING OUR PRINCIPLES AND REPORTING COMPLIANCE VIOLATION

The Code of Conduct combines both the applicable statutory provisions and operating rules and regulations. The duty to observe the principles set out here can be derived directly from the law itself, from operating rules and regulations, from our company guidelines and policies, or as an ancillary duty under our contracts of employment. Deliberate violations of the guidelines will have employment law consequences, in line with the applicable provisions. Additionally, breaches of the law can result in criminal and civil proceedings.

Our first point of contact for any questions or uncertainties regarding the Code of Conduct or reporting compliance violation is the superior, the HR department, or Chief Cultural Officer. Reports will be investigated even if they are made anonymously.