

Supplier Code of Conduct

The PRECIOSA group of companies and any and all companies belonging to PRECIOSA Group (collectively referred to as “**PRECIOSA**”) uphold moral and ethical values in its management practices and in their day-to-day praxis and is committed to follow all applicable laws, regulations, and national and international conventions, along with best practices, regarding especially labour standards and social responsibility, environmental protection and ethics and business integrity.

PRECIOSA expects all its business partners, suppliers of goods, service providers, vendors, landlords, distributors along with their employees, agents, suppliers and subcontractors (collectively referred to as “**Suppliers**”) to embrace and follow the same philosophy in managing their businesses.

In this respect PRECIOSA aims to collaborate only with Suppliers who agree to adhere to this Code of Conduct (hereinafter referred to as the “**Code**”) and who ensure its enforcement throughout their own supply chain. However, if national or applicable laws and/or the Supplier's own code of ethics or conduct (or similar document) address the same issue, the stricter standard shall be applied.

This approach ensures that any product produced and/or delivered by PRECIOSA is produced while respecting workers' and human rights, minimizing environmental impact, and conducting trade relationships transparently and loyally.

In the event that a Supplier fails to comply with this Code, PRECIOSA reserves the right to request that the violations be rectified, the right to suspend purchases, refuse deliveries and return any goods until the non-conformities have been resolved. PRECIOSA may also choose to terminate the business relationship with the Supplier, in addition to any other rights or remedies.

1. Labour Standards and Social Responsibilities

PRECIOSA expects the Suppliers to demonstrate exemplary social responsibility in their operations and to run their activities in full respect of human rights and labour laws. This includes especially the compliance with the principles stipulated in the Universal Declaration of Human Rights, the Conventions of the International Labour Organization and the principles of the United Nations Global Compact.



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Prohibition of Child Labour

Work by children younger than 15 or before completing compulsory education is forbidden. In countries where local laws require a higher age for child labour, this higher age shall apply. Employees under the age of 18 are not allowed to work overtime, perform hazardous work or work in night shifts.

Prohibition of Illegal Labour and Human Trafficking

PRECIOSA strictly prohibits human trafficking and any form of abusive or illegal labour in its supply chain (including prison labour, labour carried out under the threat of punishment). Suppliers are forbidden to engage in any form of forced labour, slavery, servitude, or human trafficking. This includes also withholding identity papers or work permits, requiring workers to deposit a bond, or using any other means of coercion. All workers must be free to accept or leave their employment at will and Suppliers must always respect workers' freedom of movement. Suppliers are not allowed to force workers to work in order to repay a debt, whether to the Supplier or to a third party. Suppliers must be in compliance with all applicable laws and regulations on the prevention of illegal, unlawful and undeclared work.

Prohibition of Harassment and Abuse

Suppliers are required to treat their workers with respect and dignity. Suppliers must avoid and prevent any actions or practices that lead to corporal punishment, physical, sexual, verbal, or psychological harassment, or any other form of abuse.

Prohibition of Discrimination

PRECIOSA requires Suppliers to ensure that all workers are treated with equality, fairness and honesty. Suppliers must avoid any form of discrimination based on gender, race, ethnic origin (actual or assumed), religion, age, health condition or handicap, sexual orientation, political opinions, union membership, nationality, gender identity, physical appearance, ancestry, or social background particularly in matters such as wages, hiring, training opportunities, promotions, maternity protection, disciplinary sanctions and dismissal.

Fair Wages and Benefits

Suppliers are required to pay proper wages in legal tender, directly to workers, in a timely and regular manner, at least once a month. Suppliers must compensate workers for overtime at the legal rate and fulfill all legal obligations relating to the remuneration of work. In the absence of a legal minimum



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wage or overtime rate in the country where the work is performed, Suppliers must ensure that wages are at least equal to the average minimum wage for the relevant industry, and that overtime is paid at the usual hourly rate. Wages must be enough to cover basic needs and allow for some discretionary spending. Deductions should only be made where permitted by national law or with the full consent and understanding of workers. Wage deductions should never be used as a form of disciplinary action. Workers must be given clear and transparent information on working hours, pay rates and the calculation of statutory deductions (e.g. social security contributions). Suppliers shall provide all workers with all the benefits required by applicable laws, collective bargaining agreements, local company agreements, and other relevant negotiated individual or collective agreements. Workers with equal experience, performance and qualifications shall receive equal pay for equal work. All workers shall have full and complete control over their earnings.

Working Hours

Suppliers are required to adhere to all local laws and regulations regarding working hours and work schedule. The total number of hours worked per day and per week, including overtime, must remain within legal limits (and any case must not exceed the maximum limits set by internationally recognized standards such as the standards of International Labour Organization). Suppliers are prohibited from enforcing excessive overtime. Suppliers must also comply with all local laws regarding mandatory rest days, break times and paid holidays. Workers are entitled to at least the minimum number of days off required by law and must have at least one day off within each seven-day period.

Freedom of Association and Expression

PRECIOSA expects Suppliers to respect and uphold workers' rights to engage in collective bargaining and to form or participate in a labor organization of their choice without facing any sanctions, discrimination, or harassment. When relevant, Suppliers must provide workers' representatives with the necessary resources to exercise their rights. Any form of intimidation, threats, or discriminatory actions against workers' representatives is strictly forbidden. All employees must be entitled to express their views on their working conditions, both individually and collectively.

Ensuring Health and Safety

A safe, healthy and hygienic working environment must be provided, taking into account current industry knowledge and any specific hazards.



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Supplier must ensure a safe work environment for its personnel to prevent accidents or injuries related to, associated with, or occurring during work. To this end, the Supplier undertakes to inspect and maintain its facilities and machinery in good condition and to provide its employees with equipment that meets industry standards. The Supplier shall also establish systems to identify, prevent or neutralize any health and safety hazards, and must comply with all applicable laws and regulations.

All necessary measures should be taken to prevent accidents and injuries related to, associated with, or occurring in the course of work by assessing and minimising the causes of hazards inherent in the working environment. In particular, the following measures shall be taken by the Supplier:

- Health and safety instructions shall be displayed in the workplace and shall be widely communicated. Workers should receive regular and documented health and safety training.
- Workers must be provided with protective equipment appropriate to their activities.
- Workers must not be locked in their workplaces, and adequate fire escape routes must be provided.
- Access to clean toilets and drinking water must be provided free of charge, along with sanitary facilities for food storage if necessary.
- Supplier is responsible for maintaining an alcohol and drug free working environment and must take appropriate action against employees who use or are under the influence of alcohol, drugs and illegal substances at work.
- Supplier should assign health and safety responsibilities to the most qualified internal department, such as appointing a "Health and Safety Manager" with executive authority.

Similar principles should be applied to the accommodation of workers where this is provided by Suppliers.

2. Environmental Protection

Environmentally responsible behaviour is an integral part of the strategy of PRECIOSA. PRECIOSA takes specific actions to safeguard the environment and expects its Suppliers to ensure that the best environmental practices are followed throughout the supply chain.

PRECIOSA expects its Suppliers to share this commitment and encourages them to take steps to reduce the environmental impact of their operations, particularly by using green technologies.

Suppliers undertake to share environmental data with PRECIOSA upon request.



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PRECIOSA requires Suppliers to comply with all relevant local and international environmental laws, regulations, and professional standards, to obtain all necessary environmental permits, and to demonstrate effective implementation of the following practices:

Facilities and places of manufacture

- implementing an environmental management system (such as ISO 14001 certification);
- upgrading the environmental performance of their facilities and production processes, particularly through effective waste management, elimination of air, water, and soil pollution, reducing greenhouse gas emissions by focusing on renewable energy use, and decreasing water and energy consumption,
- ensuring that workers whose activities have a direct impact on the environment are properly trained, skilled, and have the necessary resources to effectively fulfill their duties in line with these environmental commitments.

Raw Materials and Products

- using the most responsible options (certified materials, recycled materials, materials sourced through regenerative agriculture practices, etc.) when reasonably available,
- ensuring safe chemical management and compliance of products and raw materials with applicable national and international regulations and best professional standards, including REACH regulations, 3TG regulations and other;
- taking steps to preserve biodiversity and ensure compliance with relevant international environmental standards and regulations such as CITES;
- guaranteeing traceability and sharing information regarding raw material origin, and ensuring compliance for raw materials and substances used;

3. Ethics and Business Integrity

PRECIOSA demands the highest possible standards of integrity from its Suppliers in their business operations. PRECIOSA expects Suppliers to fully comply with all relevant local, national, and international laws and regulations in their business conduct, especially in the following areas: anti-corruption and anti-money laundering, fair competition and protection of personal data.



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Prohibition of All Forms of Corruption

PRECIOSA maintains a strict (zero-tolerance) policy against corruption and influence peddling. PRECIOSA expects its Suppliers to implement effective measures to prevent, detect, and address any acts of corruption or influence peddling, whether directly or indirectly, within their operations. This includes also a ban on any benefits given to public officials.

Gifts and Invitations

Gifts or invitations can be seen as acceptable goodwill gestures in business relationships if they are modest in scope and value, given openly and transparently, allowed by applicable laws and regulations, appropriate in the region where they are given, intended to show respect or gratitude, and not offered with the expectation of anything in return. Any other gifts, invitations, and the like are unacceptable, regardless of whether they are granted to representatives of PRECIOSA or to third parties and regardless whether they violate anti-corruption rules and regulations or not.

Prevention of Money Laundering

Suppliers must implement effective controls to prevent money laundering in their operations. They should ensure transparency in all financial transactions and report any suspicious activity to the relevant authorities.

Prevention of Conflicts of Interest

PRECIOSA requires its Suppliers to proactively eliminate any situation that could lead to an actual, perceived or potential conflict of interest in their business dealings with PRECIOSA.

Fair Business, Advertising and Competition

Suppliers must uphold standards of fair business, advertising, and competition. They must refrain from engaging in deceptive, misleading, or unfair practices and must compete honestly and ethically. Suppliers must comply with antitrust laws and avoid any activities that restrict free competition.

Confidentiality and Personal Data Protection

Suppliers shall take all necessary measures to ensure the confidentiality of trade secrets and other non-public information they receive during their business relationship with PRECIOSA. Suppliers must ensure the confidentiality and security of any personal data they handle and comply with all data protection laws and regulations.



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Trade Restrictions and Export and Import controls

PRECIOSA expects its Suppliers to comply with all applicable international trade restrictions and economic and trade sanctions, including any updates to these measures, as well as all relevant laws and regulations related to export and import controls.

Conflict Minerals

Suppliers must ensure that their products do not contain conflict minerals that directly or indirectly finance armed groups or contribute to human rights abuses. They should exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to the PRECIOSA upon request.

Asset and IP rights Protection

Suppliers must take all necessary actions to protect the resources and assets of PRECIOSA. Especially brand image, brand and trademarks and intellectual property rights of PRECIOSA must be respected and protected by Supplier. Basic principles of using of brand and trademarks of PRECIOSA are prescribed in respective guidelines issued by PRECIOSA. Suppliers must also always respect the intellectual property rights of other persons and entities.

Transparency

Suppliers are obliged to provide PRECIOSA with transparent and accurate information about the processes it uses, the resources it employs, its production facilities and the characteristics of the products or services it supplies to PRECIOSA. Suppliers must refrain from making misleading statements.

4. Complaints and Control mechanism

Complaints

Suppliers are required to establish internal processes or mechanisms that allow employees, agents, and subcontractors to report concerns about issues covered by this Code without fear of retaliation or negative consequences.

Suppliers who become aware of violations (or potential violations) of this Code are also encouraged to report their concerns to their contact person(s) at PRECIOSA.



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Control mechanism

PRECIOSA expects its Suppliers to implement and integrate the principles of this Code into their business practices. Suppliers should communicate the contents of this Code to their employees, agents, and subcontractors and ensure their compliance with it.

PRECIOSA has the right to verify that Suppliers adhere to the principles set out in this Code. Such verification may be conducted by PRECIOSA or by authorized third-party auditors.

Upon request, Suppliers are required to provide documentation or information that demonstrates full compliance with this Code.

Suppliers must remedy any identified shortcomings in the implementation of the Code.

