



Statement on Modern Slavery and Human Trafficking Year ending 30 September 2022

Carl Zeiss Pty Ltd (ABN 82 008 410 704) and Carl Zeiss Vision Australia Holdings Limited (ABN 47 007 719 708), both members of the Carl Zeiss AG group of companies ("ZEISS"), hereby issue this statement in compliance with the obligations outlined in the Modern Slavery Act 2018 and the Modern Slavery Act 2018 (NSW). Given the significant sharing of sites, systems, and processes between the two companies, and shared governance by the parent company, they function as a single entity for the purposes of this statement. Both companies were consulted in the preparation of this statement.

ZEISS has a zero-tolerance policy towards all forms of slavery, whether it be in production, in the supply chain, or in any other aspect of its business operations. The group has taken significant measures to minimize the risk of slavery and to promote fair working conditions within its own business and supply chain. However, ZEISS acknowledges the need to continue its efforts in this regard. This statement pertains to the activities undertaken by the group in the financial year that ended on 30 September 2022.

By issuing this statement, ZEISS aims to enable its customers and stakeholders to make informed decisions about its products and services, based on the group's commitment to combating modern slavery.

The ZEISS Group's position on modern slavery and human trafficking

ZEISS has a strict policy against any form of modern slavery in its operations and supply chain. Any reported allegations of modern slavery are treated with utmost seriousness, and appropriate measures are taken to prevent further harm. ZEISS also takes responsibility for any harm it may have contributed to and strives to take corrective measures.

The conduct of a company and its employees plays a crucial role in determining its reputation, success, and compliance with applicable laws. Employees also take pride in working for an ethical and law-abiding company. It is equally important for ZEISS to hold its business partners and suppliers to high social responsibility standards and ensure sustainable development across the supply chain.

As a leading global player in optics and optoelectronics with a vast supplier network, ZEISS can only meet societal and customer expectations when its suppliers adhere to social standards. Therefore, ZEISS takes numerous measures to minimise the risk of modern slavery and human trafficking and promote fair working conditions across its operations and supply chain.

The ZEISS organisational structure

ZEISS has been a prominent global player for over 175 years, is currently active in more than 50 countries and employs over 38,000 people worldwide. The group has around 30 production sites, 60 sales and service companies, and 27 research and development facilities, with its headquarters situated in Oberkochen, southwestern Germany. As a worldwide technology company, ZEISS provides optical and optoelectronic products and solutions in Australia across three areas:

- Research & Quality Technology
- Medical Technology
- Vision Care & Consumer Products

In Australia, Carl Zeiss Pty Ltd serves as a Sales and Service Centre (SSC), responsible for the sales, installation, and servicing of precision-engineered optical, electronic, and medical products. On the other hand, Carl Zeiss Vision Australia Holdings functions as a global competency centre of excellence for our spectacle lens business, focused on technology innovation and customer laboratory enablement.

Rules and responsibilities

At ZEISS, the corporate headquarters establishes policies and directives that apply to all ZEISS companies, including those related to combatting modern slavery. ZEISS also sets targets to measure the effectiveness of these policies and directives. All ZEISS group companies, including those represented in this statement, are responsible for implementing and adhering to these policies and directives, as well as contributing to the targets. The "Responsibility at ZEISS" Working Group provides central specifications for handling regulatory compliance related to modern slavery throughout the organization and supply chain, while the "Supplier Sustainability" Working Group supports the implementation of these specifications by all entities.

All ZEISS employees are expected to report any suspected incidents of modern slavery through internal compliance channels, which are clearly communicated within the organization. If such an incident occurs at a ZEISS company, it will be assessed on an individual basis by the Human Resources department. If it involves a supplier, it will be forwarded to the Supplier Sustainability Working Group for further action. ZEISS suppliers are required to comply with the Code of Conduct of the Responsible Business Alliance (RBA), which covers issues such as the avoidance of child labour, freely chosen employment, working hours, humane treatment, and wages and benefits. This Code of Conduct is based on the UN Guiding Principles on Business and Human Rights and is the official code of conduct for ZEISS suppliers.

Since 2015/16, ZEISS has sent the RBA Code of Conduct to its key suppliers and required them to sign a declaration agreeing to comply with its requirements. Any suppliers who do not respond are followed up. When ZEISS entities use the SAP system, the RBA Code of Conduct is automatically included in the terms of the order. In 2007, ZEISS approved a Code of Conduct applicable to all ZEISS group entities, which outlines the general rules of conduct for various aspects of the company's business activities. ZEISS believes that sustainable economic success and compliance with laws and internal standards are closely linked. The Code of Conduct was updated in 2016 to explicitly mention the International Labour Standards (ILO standards), which include a ban on all forms of modern slavery. The updated version also emphasises the importance of human rights due diligence in complying with the ILO standard. ZEISS explicitly condemns forced and child labour and proactively ensures fair and humane working conditions worldwide.

Supplier selection and assessment

Suppliers are chosen by considering their technical and logistical capabilities, along with a self-evaluation conducted by the supplier, and an inquiry into specific business topics such as

occupational health and safety, environmental protection, energy efficiency, and social and ethical practices. ZEISS selected suppliers are subjected to an on-site inspection and supplier audit that assesses their compliance with social and ethical norms. The primary objective of these audits is to uncover any supply chain vulnerabilities with regards to modern slavery and to recommend and implement effective solutions.

Five-stage supply chain approach to evaluate aspects of sustainability and standards of good conduct

ZEISS recognizes that enhancing the sustainability of its supply chains involves mitigating the risks of modern slavery. To achieve this, ZEISS (and its affiliated companies) employs a five-stage risk-based approach. The approach involves the following steps:

1. ZEISS communicates the minimum requirements of the RBA Code of Conduct to its key suppliers, which are essential for maintaining a trade relationship.
2. Key suppliers must then confirm their compliance with the minimum standards in writing.
3. ZEISS applies a standardised risk analysis to rate its "managed" suppliers and assesses the results.
4. Suppliers rated as medium to high-risk must complete a Sustainability Self-Assessment Questionnaire, which is further reviewed and investigated.
5. Selected suppliers are identified and undergo site audits as part of ongoing sustainability assessments.

If, during stages four or five, it is discovered that a supplier fails to meet ZEISS's minimum standards for sustainability, ZEISS will define appropriate next steps, which may include developing specific action plans with the supplier and monitoring their implementation until successful.

Combatting modern slavery

In the financial year 2021/2022, ZEISS continued its activities globally and within Australia in an effort to combat modern slavery. These activities included:

- A review of the internal policy and procedural documents that influence our response to, and actions, addressing modern slavery. This contributed to the continued suitability and effectiveness of our systems.
- Further implementation of risk-based approaches to ensuring that key suppliers are systematically monitored regarding modern slavery and other sustainability criteria.
- A reviewed of feedback gathered from modern slavery questionnaires completed by entities within our supply chain, which was used to verify the effectiveness of our local systems in maintaining a compliant supply chain.

Objectives for financial year 2022/2023 in the fight against modern slavery and human trafficking

We understand that the fight against modern slavery and human trafficking is an ongoing process, and we will constantly review and refine the steps we take as we learn more about how to mitigate

these risks in the future. Specific targets for ZEISS (including the companies on behalf of which this statement is made) over the coming year include:

- Implementation within the established working group of the requirements of the new German Supply Chain Due Diligence law and other similar legislation in other countries
- Further implementation of risk-based approaches to ensuring that key suppliers are systematically monitored regarding modern slavery and other sustainability criteria.
- Review the feedback gathered from modern slavery questionnaires completed by entities within our supply chain, to verify the continued effectiveness of our local systems in maintaining a compliant supply chain.

This statement was approved by the Boards of each of the companies listed below on the date shown, and is signed on behalf of each respective entity.



*Electronically signed
by: Rene Hessling
Date: Mar 31, 2023
12:08 GMT+11*

Rene Hessling
Managing Director
Carl Zeiss Pty Ltd
Carl Zeiss Vision Australia Holdings

31st March 2023