



## **THOMAS SABO Group's commitment to responsible business practices**

THOMAS SABO pursues value-oriented corporate management that is committed to the interests of our partners and employees. Reliability, appreciation, motivation, innovative strength, integrity and compliance with the law are values that guide us worldwide. We are consistent in our compliance with the law and will not tolerate any violations.

All managing directors, all senior executives and all other employees must be aware of the high risks that a breach of the law can have for THOMAS SABO and for them personally. THOMAS SABO has therefore adopted the following Code of Conduct to help you and THOMAS SABO avoid breaches of the law and to continue to live up to our excellent reputation with customers and the general public. This code cannot address every possible situation in everyday professional life, but it does represent a binding guideline and orientation framework for all of us.

### **General principles**

The THOMAS SABO Group is committed to fulfilling its social responsibility in all its business activities. In all business actions and decisions, the applicable laws and other relevant provisions of the countries in which it operates must be observed. Every employee has the obligation to observe the respective applicable legal system. Business partners shall be treated fairly and contracts shall be honoured.

### **Clear rules of conduct for all employees in the company**

All employees at THOMAS SABO contribute to a corporate culture that is characterised by fair and cooperative collaboration. Tolerance and respectful and trusting interaction in our daily dealings with each other are among the fundamental beliefs of our management and our employees. In addition, every employee is committed to responsible behaviour and integrity. The personality and dignity of each individual must be respected. Mutual appreciation is based on inner conviction and willingness to act. This also means that problems in the workplace are addressed and solutions to problems are sought together. Because only in this way can an environment characterised by openness, tolerance and fairness develop.

THOMAS SABO expects its employees to contribute to a positive working atmosphere through their behaviour towards each other. The opportunity to get to know other cultures and ways of thinking when working together is an enrichment for all employees.

### **Rules of conduct for managers**

With the implementation of value-oriented leadership and the leadership actions and practices that necessarily follow from it, managers support tolerant and fair interaction. With their behaviour, our managers contribute to respecting the personality and dignity of all employees. By adopting an open-minded attitude towards their employees, they create a working atmosphere that enables an open exchange of ideas. They cultivate respectful interaction with each other through politeness, friendliness and mutual consideration. As part of their leadership role, managers prevent unacceptable behaviour. They act as mediators in appropriate conflicts.

### **Rules of conduct in dealings with third parties**

All employees, especially managers, are aware that they also represent the company through their behaviour and thus shape its reputation externally and the culture internally. All employees treat others in the same way as they would expect others to treat themselves. This results in fair and respectful dealings with customers and other partners who have a business relationship with the company. This naturally also applies to all employees of external companies working for the company. Fairness and appreciation also apply to the company's own public image.



## **Rules of conduct in dealing with data**

All records must be accurate and truthful. The principles of proper bookkeeping and accounting must be observed. This means that all business transactions must be recorded continuously, completely, correctly and in a timely manner as well as in an orderly manner.

## **Principles of social responsibility**

### **Respect for human rights**

We are part of society and promote its development according to our possibilities. We respect the personal dignity of every individual. THOMAS SABO respects and supports compliance with internationally recognised human rights. In doing so, we undertake to oppose any form of discrimination within the framework of the respective applicable rights and laws. This refers in particular to discrimination against employees on the grounds of gender, disability, ethnic or cultural origin, religion or ideology, age or sexual orientation. This applies both to internal cooperation and to conduct towards external partners. The culture of our company is committed to this principle.

### **Social acceptance**

Social acceptance of our diverse activities is the prerequisite for our long-term and sustainable corporate success. We are aware that our reputation is shaped by the appearance, actions and behaviour of every individual in our group of companies. Every employee respects THOMAS SABO's reputation in society and is guided by this principle in the performance of their duties.

### **Sustainability and environmental protection**

We are guided by the principles of sustainability. We are aware of our responsibility towards future generations and therefore ensure that our products meet the conditions of sustainable development with regard to the three elements of ecology, economy and social issues.

Laws and guidelines issued to protect the environment. THOMAS SABO expects and supports environmentally conscious actions by its employees.

### **Donations/Sponsoring**

THOMAS SABO donates to social causes through the THOMAS SABO Foundation („The THOMAS SABO Foundation was recognised as a foundation with legal capacity by a certificate of recognition from the government of Central Franconia on 16 December 2013. It supports charitable causes such as child and youth welfare, education and vocational training, pupil and student aid, development cooperation, public health and healthcare.“)

### **Raw materials**

Our aim is to ensure that all metals (gold, silver, platinum) and stones (diamonds and coloured gemstones) we process come from legally and ethically sound sources and are not linked to crime, armed conflict or human rights abuses. We do not source our raw materials from conflict and high-risk areas according to OECD criteria.

## **Principles of responsibility towards employees**

THOMAS SABO ensures occupational safety and health protection in the workplace within the framework of national regulations. Continuous further development to improve the working environment is supported. THOMAS SABO respects the right to freedom of association of its employees within the framework of the respective applicable rights and laws. THOMAS SABO rejects any form of forced labour and/or child labour.



## **Leadership culture**

Each of our managers bears responsibility for their employees. They must earn their recognition through exemplary personal conduct, performance, openness and social competence. The manager places trust in her staff and agrees on clear, ambitious and realistic goals and gives her staff as much personal responsibility and freedom as possible.

## **Promotion of the employees**

THOMAS SABO owes its success to the knowledge, experience and commitment of every single employee. THOMAS SABO invests in the qualifications and skills of its employees; commitment and performance are particularly encouraged. This is how we ensure the future viability of the company.

## **Fairness and tolerance**

Our appreciation is the same for all employees - regardless of nationality, culture, religion, ideology, disability, ethnic origin, gender, sexual orientation and age. As a globally operating company, we treat our employees fairly and openly as well as with understanding and tolerance. In this respect, the company expects every employee to deal with colleagues, employees and third parties in a fact-oriented, friendly and fair manner.

## **Appearance in public**

THOMAS SABO is generally in favour of employees being involved in public functions at communal or supra-regional level. Employees shall ensure that their appearance in public does not damage the reputation of THOMAS SABO. In the case of private expressions of opinion, reference to one's own role or activity in the company should be avoided. Media communication on behalf of THOMAS SABO is carried out exclusively via the Public Relations department or only after prior consultation with this department.

## **Avoiding conflicts of interest**

THOMAS SABO attaches importance to ensuring that its employees do not get into conflicts of interest or loyalty in the course of their official duties. Such conflicts can arise if an employee works for or has a stake in another company. Therefore, the operation of a company or a significant direct or indirect participation in a company that is in competition or in a business relationship with THOMAS SABO in whole or in part is not permitted. Excluded from this are secondary occupations that can demonstrably have no influence on the activity at THOMAS SABO. The existing regulations in the companies regarding the notification of secondary employment remain unaffected by this.

## **Data protection, confidentiality and protection of third party rights**

THOMAS SABO obliges its employees to safeguard and protect the trade and/or business secrets of THOMAS SABO and its business partners. Company and/or business secrets may not be disclosed without authorisation or made accessible in any other way, unless express authorisation has been granted for this purpose or the information is publicly accessible. Employees must maintain strict confidentiality about all trade and business secrets both during the duration of the employment relationship and after its termination. The internal guidelines for the handling of information technology and all provisions of data protection, including those internal to the company, must be complied with.

Personal data may only be collected, processed or used insofar as this is necessary for defined, clear and legitimate purposes. A high standard of data quality and technical protection against unauthorised access must be guaranteed. The use of data must be transparent for the data subjects, and their rights to information and correction and, if applicable, to objection, blocking and deletion must be safeguarded.



Protected rights such as brands and designs and other know-how are of existential importance for the success and future of THOMAS SABO. no employee may therefore pass on new findings or company secrets to third parties in any form; official documents and data carriers must always be from access by unauthorised persons. Company property may only be used for business purposes.

Every employee must respect effective property rights of third parties; their unauthorised use must be avoided. no employee may obtain or use secrets of a third party without authorisation.

## **Principles of conduct in competition**

National and international regulations govern how THOMAS SABO may sell its products or enter into contact with competitors. The respective regulations are binding for THOMAS SABO. Each individual employee is obliged to comply with them.

THOMAS SABO and its employees respect fair competition. therefore, the company complies with applicable laws that protect and promote competition, in particular applicable antitrust laws and other laws regulating competition.

In dealing with competitors, these regulations prohibit in particular agreements and other activities that influence prices or conditions or impermissibly hinder free and open competition. Furthermore, these regulations prohibit agreements with customers and suppliers that are intended to restrict customers in their freedom to autonomously determine their prices and other conditions when reselling.

Only in fair competition can market participants develop freely. that is why the imperative of integrity applies to us in the competition for market share. Every employee is obliged to respect and comply with the rules of fair competition.

## **Principles of conduct towards business partners**

### **Responsibility towards our customers and suppliers**

In competition, we build on the quality of our products for our customers as well as on reasonable prices. We support national and international efforts not to influence or distort competition through bribery. In our dealings with business partners (customers, suppliers, cooperation partners) and government institutions, the interests of the company and the private interests of employees on both sides are strictly separated. Decisions must be made free of extraneous considerations and personal interests. The applicable criminal law on corruption must be observed and complied with.

Particular attention should be paid to:

### **Prohibition of accepting or granting advantages**

The management and employees of THOMAS SABO may not offer, promise, demand, grant or accept gifts, payments, invitations or services in business transactions that are granted with the intention of influencing a business relationship in an inadmissible manner or where there is a risk of jeopardising the professional independence of the business partner. This is generally not the case with gifts and invitations that are within the scope of customary business hospitality, custom and courtesy. Disregarding these rules may also have consequences under criminal law.

THOMAS SABO has issued a binding compliance guideline on the acceptance and granting of gifts and invitations to entertainment and events. This regulates matters relating to appropriate low-value and symbolic gifts, appropriate business meals and appropriate events organised by the company itself and by business partners (customers, suppliers). If THOMAS SABO employees have a conflict of interest or are unsure whether a conflict of interest exists or could arise, they are obliged to contact the Compliance Officer for advice.



## Offences related to public officials

Anti-corruption laws prohibit the giving of benefits to domestic and foreign government officials, civil servants, political or military authorities or representatives of international organisations in order to obtain advantages for THOMAS SABO. The granting of personal advantages (in particular also of a monetary nature such as payments and loans including the giving of even small gifts) by THOMAS SABO and its employees to public officials (such as civil servants or employees in public service) is not permitted.

Gifts, services, payments as well as loans granted by THOMAS SABO to political parties, committees, elected officials or candidates are only permitted if they comply with applicable laws and local regulations and have been approved in advance by the THOMAS SABO management.

## Crimes in foreign trade transactions

Both national and international extraterritorial foreign trade and customs laws determine where and how THOMAS SABO may sell its products. In some cases, it is prohibited by law to do business with certain countries; in other cases, the export of goods without official authorisation is prohibited. Customs laws require a precise description, complete listing and accurate declaration of the value of the goods to be exported.

Antiboycott laws can prohibit participation in boycotts of other countries and restrict the disclosure of information about business activities and about individuals. They can also stipulate that authorities be notified of certain requests to disclose information or to participate in boycotts. These international trade laws are very complex. The consequences for violating these laws can be significant for the company and the persons acting, and include fines as well as imprisonment. If employees have questions about the application of these laws in their own area of responsibility, they are encouraged to contact their respective customs representative.

## Review

THOMAS SABO consistently monitors compliance with the code of conduct. In addition to this code, codes of conduct on individual topics and national peculiarities in the individual national companies concretise the topic of responsible management. These individual guidelines and the resulting obligations are made known to the employees.

THOMAS SABO works to ensure that this Code of Conduct and any additional individual guidelines are observed by the management and all employees. The guidelines are accessible to every employee. It is the responsibility of each manager to ensure that the employees assigned to them are aware of the guidelines of their respective company. Every employee of THOMAS SABO is obliged to ask the relevant representative of his or her company if he or she is uncertain about the correct conduct. The contact details are stored on the intranet.

Violation of this Code of Conduct or other Company policies may result not only in disciplinary action, but also in civil and/or criminal penalties, which may include fines and/or imprisonment.

## Indirect effect

THOMAS SABO is committed to ecologically and socially responsible corporate governance. We expect the same behaviour within our supply chain. As a basis for cooperation, THOMAS SABO has therefore drawn up a Code of Conduct for Suppliers, with which our partners contractually commit to complying with national laws and regulations as well as international conventions such as

- Principles of the Universal Declaration of Human Rights of the United Nations (UN)
- United Nations Global Compact (Code of Conduct for a Globalised Economy)
- OECD Guidelines for Multinational Enterprises
- Core labour standards of the International Labour Organisation (ILO)
- UN Convention on the Rights of the Child



- UN Convention on the Elimination of All Forms of Discrimination against Women

This also ensures that suppliers can guarantee a clean origin of the raw material

THOMAS SABO has issued the following guidelines in detail:

Operating regulations

Compliance Policy

Anti-Money Laundering Policy and Procedural Guidance

Privacy policy

IT Policy

Signature Policy

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Dr Gunnar Binder (CEO)