

## **Modern Slavery and Human Trafficking Statement**

The Modern Slavery Act 2015 came into effect on 29th October 2015. This law requires manufacturers and retailers doing business in the UK which supply goods or services and have an annual turnover exceeding £36 million to disclose information regarding their policies to eradicate slavery and human trafficking from their supply chain and within their business.

This statement is made in accordance with the requirements of the Modern Slavery Act 2015 as they apply to TOPTICA Photonics AG, and all entities in the TOPTICA Group global structure.

TOPTICA Photonics AG is a company in the field of laser technology, which was spun off from its former parent company, TuiLaser AG as an economically independent unit in February 1998. TOPTICA develops high-precision laser systems based on laser diodes, manufactures these systems and markets them worldwide.

Application markets exist in industrial and university research & development, life sciences, industrial metrology/quality inspection.

TOPTICA owes its success to its power of innovation in implementing new laser diode technologies in usable laser systems, as well as the ability to transfer these technologies to industrial applications and supply customers with reliable OEM components. As a result of this company strategy, TOPTICA has grown steadily and is now a major player in European laser market.

In the chapter „Socio-ecological and ethical Code of Conduct for business processes“ in our quality manual, the board of management establishes norms that are intended to ensure secure working conditions throughout the company, respectful and dignified treatment of employees and workers involved as well as business processes that are environmentally and ethically acceptable.

The most important principle underlying these norms are the laws, guidelines and regulations of the Federal Republic of Germany and - where applicable – of the countries in which our company operates or with which it has business relations. These must be observed in every respect. Beyond compliance with provisions of the law, we undertake to adhere to internationally recognized norms and to promote a sense of social and ecological responsibility as well as ethical business practices.

Due to its comprehensive regulations established by the law and by public authorities and that are based on the very highest international norms and agreements, Germany ensures that companies established within its territory must satisfy the highest socio-ecological and ethical standards. For that reason, as a rule, detailed internal company norms are not required but are simply procedures in order to monitor and enforce regulations established by law and by public authorities. Nevertheless, we wish to establish certain internal company norms of general nature in order to help to improve the conditions for workers throughout the worldwide economic community.

All our employees are required to implement the provisions of the law, internationally recognized norms and the rules set down in in this Code within the company, whereby the Quality Management System is intended to support both the Board of management and employees. Moreover, the

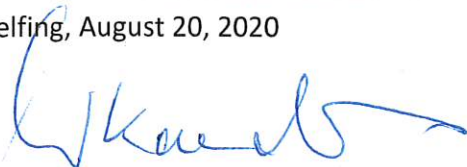
company seek, as far as its possibilities permit, to ensure that all of its direct business partners (suppliers, customers, cooperation associates) to also comply with the Code.

The Code referred to above has been included in the Quality Management Handbook in order to ensure that at all times (a) the relevant laws, regulations and customer requirements with regard to operating processes and the company's products are observed, (b) the present Code is complied with and (c) risks arising from business processes in connection with this Code are identified and reduced as part of a continuous process of improvement. This includes in particular

- the basic declaration issued by the Board of management to all employees on the subject of social responsibility with the obligation to comply with the Code in chapter 5.7 of the quality handbook.
- that the board of management appoints, in a manner that leaves no doubt on the subject, representatives of the company who are responsible for monitoring and improving individual points in the Code. As a general rule, all management personnel in the company bear a particular responsibility in this regard. An dedicated Ethics Committee, consisting of the specialists on occupational safety and the head of the human resources department, is responsible for monitoring the Code.
- that the Board of management uses suitable measures in order to ensure that the relevant laws, regulations and customer requirements are known and observed.
- that the Board of management uses suitable measures in order to ensure that risks arising in the areas of the environment, health and safety, as well as in the field of working practices and ethics, are known and evaluated. Monitoring procedures and physical control mechanisms may have to be installed in order to ensure compliance with regulations issued by public authorities.
- that the Board of management regularly formulates performance goals and specifications and implementation plans in the yearly management review in order to improve the company's total Quality Management including social and ecological conduct, including regular evaluation of the company in order to reach these goals as part of quality audits regarding the Code.

TOPTICA's position and approach to managing our compliance with the Act has reached a reasonable level and continues to evolve. So with the measures taken to date and the processes now in place we are pleased to state that the Act will be kept under diligent review. The statement is approved by the Members of Executive Board.

Gräfelfing, August 20, 2020



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