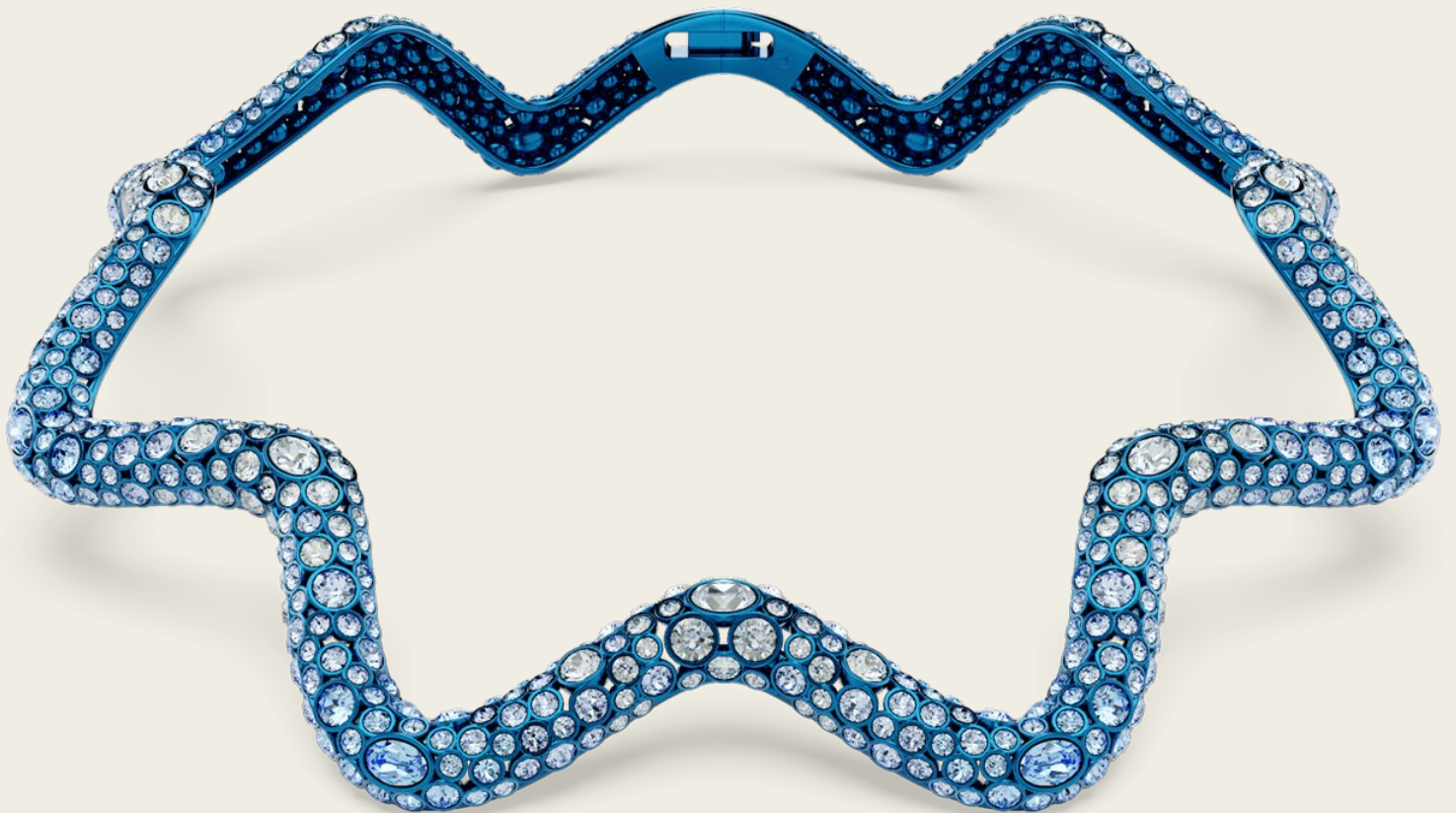


SWAROVSKI

Responsible Sourcing and Manufacturing  
Policy



SWAROVSKI

## I. Context:

### Purpose & Abstract:

This Policy underlines and specifies our commitment to ensure adherence to the highest social standards throughout our internal and external supply chain, to uphold human rights, to condemn any form of forced or child labor or other unethical practices, to guarantee safe and healthy working conditions, and to provide equal opportunities to anyone, free from any kind of discrimination. We also feel obliged to protect the environment and act responsibly in everything we do, by mitigating climate change, preserving resources and minimizing waste. To meet these commitments, we rely on the implementation and enforcement of the SWAROVSKI Code of Conduct and the SWAROVSKI Supplier Code of Conduct.

<b>Version</b>	1.0
<b>Date</b>	1.12.2024
<b>Document type</b>	Policy
<b>Document Owner</b>	Global Supply Chain, Finance
<b>Approval</b>	Executive Committee
<b>Target group</b>	Global Supply Chain, Procurement
<b>Character</b>	Binding
<b>Geographic scope</b>	Global
<b>Replaces the following documents</b>	-
<b>Reference to other documents</b>	SWAROVSKI Code of Conduct LUXignite Strategy Sustainability Strategy SWAROVSKI Supplier Code of Conduct Responsible Sourcing Initiative Guideline for Suppliers Responsible Sourcing Initiative Critical Breach Internal Guideline Speak Up Policy
<b>Classification</b>	Audience: internal Access: internal & external

## II. Content:

### A. Our Convictions

We follow the below principles in our own manufacturing activities, and we work only with suppliers who share the same beliefs:

## **1. Human Rights**

Compliance with the norms set out in the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the United Nations Global Compact, the United Nations Women's Empowerment Principles and the principles set out in the conventions of the International Labor Organization is non-negotiable.

## **2. Forced Labor, Child Labor, Protection of Minors**

All labor must be voluntary. Any form of forced and compulsory labor, including bonded labor, indentured labor, military labor, modern slavery, and human trafficking will not be tolerated under any circumstances. This applies equally to any form of illegal, clandestine, and undeclared employment.

No form of child labor will be tolerated, regardless of the circumstances. Employing or engaging individuals below the statutory minimum age is unacceptable and compliance with international and local laws that regulate the working conditions for minors is mandatory. This includes prohibiting hazardous work and ensuring that work does not interfere with the education of minors.

## **3. Conflict Minerals and Raw Materials**

Responsible sourcing practices must ensure that materials do not contribute to human rights abuses or conflicts or have been sourced in breach of any trade sanctions.

Emphasis is given to traceability, due diligence, and supplier transparency, aligning with international standards and regulations such as the Dodd-Frank Act Section 1502, EU Conflict Minerals Regulation, EU Battery Regulation, OECD Due Diligence Guidance, and UN Guiding Principles on Business and Human Rights.

## **4. Climate Change Mitigation**

While compliance with applicable environmental and climate laws and regulations is non-negotiable, emphasis must be given to the continuous reduction of the overall impact in all areas of the value chain.

## **5. Energy**

The energy consumption needs to be continuously reduced, and the energy efficiency shall be improved in all manufacturing and supply processes, including but not limited to facility management, raw material sourcing, and transportation, particularly by transitioning to renewable energy.

## **6. Resources, Waste, Circular Economy, Deforestation, Pollution Prevention**

Resources must be used efficiently and reused whenever possible, by continuously expanding and strengthening the sourcing of sustainable and eco-friendly materials, by seeking opportunities to incorporate recycled materials into products and packaging, by embracing circular economy principles, and by designing products for longevity, reparability, and recyclability. Legal requirements need to be complied with, and best practices shall be implemented to fight deforestation and forest degradation and to prevent pollution of air and soil.

## **7. Water, Marine Resources, Biodiversity, Ecosystems**

We support the goals to minimize water withdrawal, consumption, pollution and discharge by improving preventive strategies, regulations or technologies, and minimizing changes of land, freshwater and sea-use to support protection of ecosystems and reduction of impacts on species health.

## **8. Working Conditions**

We are committed to fostering a safe, respectful, and inclusive workplace that prioritizes the well-being and rights of our workforce. We strictly adhere to statutory regulations regarding working hours, rest breaks, and leave entitlements, while promoting a sound work-life balance. Our compensation practices ensure compliance with timely payments, and fair, performance-based, and non-discriminatory remuneration aligned with legal requirements. Additionally, we safeguard job security through stable, long-term employment, workforce development, and the continuous enhancement of safe and dignified working environments.

## **9. Health and Safety**

Healthy and safe on-site conditions for of all individuals working or being present at SWAROVSKI sites must be guaranteed.

## **10. Non-Discrimination, Equal Opportunities**

Harassment and discrimination will not be tolerated under any circumstances. This includes verbal, physical, or psychological abuse, aimed at demeaning or intimidating them based on their identity or characteristics.

Every employee is entitled to equal treatment and respect without prejudice or unfair distinction based on characteristics such as race, ethnicity, gender, age, religion, disability or sexual orientation.

Equal pay for work of equal value needs to be ensured, gender-related disparities are to be minimized and the representation of women in leadership positions is to be strengthened.

## **11. Ethical Behavior**

There is no room for any anti-competitive or other unethical behavior, including any form of bribery or corruption, or undisclosed conflicts of interest.

### **B. Implementation within SWAROVSKI**

#### **1. Policies and Systems**

The SWAROVSKI Code of Conduct and the SWAROVSKI Sustainability Strategy, both endorsed by the Executive Committee and the Board of Directors, together with more detailed and subject-specific policies, standards and guidelines, form the governance framework and are the foundation of consistent implementation in our daily operations.

#### **2. Due Diligence**

As part of the environmental and social due diligence program, we define roadmaps and monitor progress towards achieving the respective targets. Where necessary, we identify and prioritize key issues and manage those through specific action plans.

This collaborative process is embedded across all relevant departments globally and locally through our Global Manufacturing Liaison and Sustainability Due Diligence Own Manufacturing workstreams, with oversight from executive management and high-level oversight from the CEO, and the Board of Directors.

#### **3. Assessments**

To ensure early-on awareness of potential challenges in complying with the law and our own aspirations which often go beyond legal requirements, we rely on a risk-based approach to assess any risks related to manufacturing operations, covering social, environmental, and governance aspects. This includes but is not limited to the following elements: continuously updated double materiality assessment; annual high-level risk scan that maps geography- and product-inherent risks and describes risk profiles for each of our locations; energy and waste streams mapping; product lifecycle assessments; human rights saliency and impact assessments; working conditions assessments, including but not limited to such aspects as health and safety, wages and benefits, diversity and inclusion; employee engagement and satisfaction surveys to receive feedback directly from our employees.

#### **4. Audits**

We conduct regular internal audits and third-party assessments to ensure alignment with our environmental and social standards: ISO 14001 (Environment), ISO 50001 (Energy), ISO 45001 (Health & Safety), ISO 9001 (Quality), SMETA or equivalent protocols, as well as ISO 22301 (Business Continuity Management) in Wattens, Austria. Swarovski Integrated Management System and Internal Audit function are key to this end.

#### **5. Impact Management**

We promote sustainability and ensure full compliance with regulatory requirements through robust environmental due diligence programs. Following environmental and social assessments, we set targets and develop action plans to address the most priority impacts. Relevant global and local teams drive targeted actions to mitigate risks and enhance positive outcomes.

### **C. Implementation on the Supplier side**

#### **1. Policies and Systems**

The sourcing-related commitments in this Policy are implemented through our SWAROVSKI Supplier Code of Conduct and the Responsible Sourcing Initiative (RSI) including the Responsible Sourcing Initiative Guidelines for Suppliers, and the Responsible Sourcing Initiative Internal Guideline, which are integral to our sustainability strategy and procurement processes. Every to-be supplier needs to contractually commit to comply with the SWAROVSKI Supplier Code of Conduct or prove that they adhere to own policies that are equivalent to the SWAROVSKI Supplier Code of Conduct. If they are unable or unwilling to do so, we will refrain from entering a supplier relationship with such company.

#### **2. Due Diligence and Assessments**

We exercise supply chain due diligence and manage ethical, social and environmental risks amongst our suppliers through multi-level approach. It includes but is not limited to high-level risk scan, continuously updated double materiality assessment, human rights saliency assessment.

#### **3. Responsible Sourcing Initiative**

To maximize our impact, we introduced the Responsible Sourcing Initiative (RSI). As part of RSI, we identify high- and medium-risk suppliers based on high-level risk scan that evaluates inherent country and sector/category risks.

Our follow up with high- and medium-risk suppliers includes in-depth social and/or environmental assessments to evaluate suppliers' practices and manage supplier compliance that include, among others:

- self-assessments,
- onsite audits,
- reviews of third-party assessment reports, and/or certifications

**3.1 Audit.** We conduct regular audits to ensure full compliance with our expectations. To avoid audit fatigue for our suppliers due to multiple customer requests, and in line with our Responsible Sourcing Initiative Guidelines for Suppliers, we accept audit reports or certificates conducted by independent certified third parties against the environmental or/and social audit standards confirming compliance with the Supplier Code of Conduct requirements.

**3.2 Impact Management/ Corrective Action.** When non-compliance by a supplier or any person the supplier is responsible for is identified, we require the supplier to rectify the situation within a given timeframe. To assist suppliers in their efforts to continuously improve, we provide support in taking corrective action. It includes consultation, training, and tailored-made capacity building programs, and, where necessary, remediation plans.

#### **4. Supply Chain Transparency**

Suppliers are required to provide visibility into their sub-suppliers across multiple tiers of the supply chain. The risks associated with these sub-suppliers will be screened and assessed.

#### **5. Disengagement**

We proactively engage suppliers for continuous improvement but also reserve the right, as a last resort, to disengage (as described in Responsible Sourcing Initiative Critical Breach Internal Guidelines) with suppliers that demonstrate repeated non-compliance with our requirements.

### **D. Reporting and Stakeholder Engagement**

We inform about the state of our progress, and we share related data points and metrics in our annual group-level sustainability report, aligned with global standards like GRI and the EU ESRS. We also disclose progress through other applicable global and local reporting channels.

We maintain an ongoing substantive engagement with our internal and external stakeholders that supports our transparency, accountability, and trust.

This collaborative approach enhances sustainability performance and builds long-term value for all.

#### **E. Grievance Mechanism**

SWAROVSKI's Speak Up channel is open both to internal and external stakeholders and allows them to flag any suspected noncompliance with either the SWAROVSKI Code of Conduct or the SWAROVSKI Supplier Code of Conduct. The Speak Up channel is a state-of-the-art and third party-operated reporting and communication platform, which allows fully confidential and anonymous reporting of misconduct. We condemn any form of retaliation. All suspicions of violations of the SWAROVSKI Code of Conduct or the SWAROVSKI Supplier Code of Conduct will be investigated and responded to. Details can be found in the SWAROVSKI Speak Up Policy and Speak Up Channel Privacy Policy.