

Code of Conduct for the Carl Zeiss Group



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About this brochure

This brochure contains the identical text to the Corporate Quality Procedure of the Carl Zeiss Group which came into force on January 1, 2007 and is part of the binding directives for the management process within the Group. The Code of Conduct directive (CQP 0011) applies to all organizational units of Carl Zeiss AG in and outside Germany and will be implemented by the Group companies.

The corporate quality procedure contains references and organizational information which has not been added to this brochure.

Content

1	Preamble	3
2	Scope	3
3	Corporate values	4
4	Interaction with employees and business partners	4
5	Fair competition	5
6	Granting and accepting benefits	5
7	Handling of corporate property	6
8	Protection of trade secrets	6
9	Ban on insider trading	7
10	Avoiding conflicts of interest/private activities	7
11	Anti-discrimination	8
12	Adherence to export controls and customs regulations	8
13	Occupational safety and health protection	9
14	Environmental protection	9
15	Handling information/documentation	10
16	Behavior towards authorities	10
17	Compliance with the Code of Conduct and monitoring	11



1 Preamble

The Carl Zeiss Board of Executive Management approved the corporate Vision in April 2002. It specifies the corporate objectives, the basic strategy and the corporate values of the Carl Zeiss Group which our company pursues. Derived from the corporate values, this Code of Conduct specifies the fundamental ethical behavioral principles that shall govern the actions of management personnel and employees in everyday business.

The trust of our business partners, customers, shareholders, authorities, the public and competitors in the responsible, law-abiding and morally correct behavior of all company employees is vital to the image and economical success of our company and the impact of our brand. Management personnel are also role models. They are expected to display a high level of social and ethical skills.

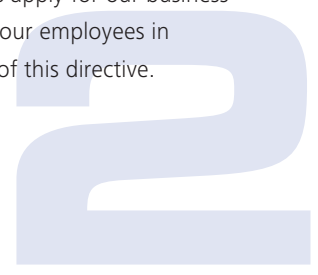
Money and values, economy and morals, and economics and ethics go hand-in-hand. Sustained economic value creation is only possible if moral/ethical values are adhered to.


This Code of Conduct is limited to the formulation of basic behavioral requirements in our business activities and refers to more extensive documents and information possibilities for sensitive and legally regulated areas.

2 Scope

This directive applies to all organizational units of Carl Zeiss AG in and outside Germany and shall be implemented by the Group companies. If rules of conduct have been specified for single business units or groups of people, those directives apply in their entirety in addition to this Code of Conduct.

The respective applicable laws apply for our business activities and the behavior of our employees in addition to and independent of this directive.





3 Corporate values

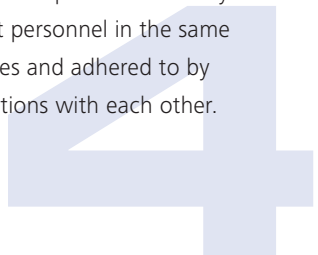
Skill, dedication and responsible action, as well as the employees, are essential to the success of Carl Zeiss. Responsibility towards people and nature, as well as tolerance and fairness, are highlighted as values of our company in our Vision. This includes the following principles:

- Legally compliant and ethically sound behavior, adherence to general legal and cultural conditions
- Loyalty to Carl Zeiss
- Fair, polite and respectful interaction with colleagues and third parties
- Appropriate consideration of the interests of customers and business partners
- Social commitment
- Advocacy of environmental protection and industrial safety
- Rejection of all forms of discrimination based on sex, race, religion or other characteristic
- Responsible and transparent behavior when dealing with risks
- Professionalism, fairness and reliability in all business relations

4 Interaction with employees and business partners

Our business partners (customers, sales partners and suppliers) are the focus of our activities. The relationships to our business partners shall be marked by mutual reliability and sustainability. Business partners expect us to act in a straightforward, polite, respectful and fair manner. This includes the communication of transparent and justifiable decisions.

These principles can only be implemented if they are practiced by management personnel in the same manner towards employees and adhered to by employees in their interactions with each other.



5 Fair competition

Regulations to ensure fair competition are essential elements of a free economy. Almost all countries have passed laws on this matter. In particular, they

- ban collusion between competitors on prices, division of territories, customer groups and product quantities
- forbid price fixing by sales partners
- ban the misuse of a market-dominating position
- monitor corporate mergers in order to prevent the creation of a market-dominating position.

Particularly relevant are agreements between market participants that limit competition, which are forbidden in almost all legal circles. Informal discussions, gentlemen's agreements or also only coordinated behavior have already been banned if they result in the agreement or implementation of a measure that restrains competition. Even the appearance of such conspiratorial behavior must be avoided.

No confidential information on prices, upcoming price changes and/or customer and supplier relationships may be exchanged during discussions with competitors. Exceptions apply if information will be published following conclusion of a confidentiality agreement within the scope of certain projects, e.g. a scheduled acquisition or founding of a joint venture.

Details are listed in the Competition Manual which is available on the Legal Affairs intranet. Furthermore, Legal Affairs is available for assistance in individual cases.

6 Granting and accepting benefits

Our corporation impresses through price, performance, quality and suitability of the products and services offered. We select our suppliers using the same criteria.

No personal benefits may be requested, accepted, offered or granted in order to receive preferential treatment in the initiation, awarding or processing of an order.

In general, gifts may not be given or accepted. Exceptions are granted only for nominal gifts for a specific occasion or advertising gifts and for gifts that correspond to standard behavior and courtesy in a country and which comply with legal stipulations. Particular restraint is required of public officials, even those from outside Germany.

Also the open-ended loan or acceptance of products or other items can invoke the appearance of a forbidden gift or the acceptance or granting of benefits and must therefore be avoided.

Invitations from or through business partners that are not connected to business calls, or which are unusual or disproportionate require internal approval. If an employee is confronted with an offer or makes a demand for personal benefits, it must be reported to his/her superior immediately.

The Carl Zeiss Group directive on donations (CSOP 60), which specifies the type and scope, must be adhered to in the case of donations.

Details are listed in the Anti-corruption Manual which is available on the Legal Affairs intranet.

Furthermore, Legal Affairs is available for assistance in individual cases.



7 Handling of corporate property

Every employee is obligated to treat operating equipment, particularly machines and tools, as well as information and communication systems, carefully and according to its intended purpose. Information and communication systems, in particular, may only be used for the conduct of company business. The workplace and all facilities that serve the workforce or the company must always be kept orderly; damage must be reported to superiors. Company property must not be used privately or removed from company premises without the express permission of the responsible authority in the company. Expense accounts must comply with the respectively valid expense regulations.

8 Protection of trade secrets

Our inventions and our know-how are vital to the long-term success of our company. The promotion of the creative and innovative skills of our employees is therefore strategically important. This also applies to protecting intellectual property from third parties and against unauthorized access by third parties. All employees are therefore required to comply with appropriate and necessary security standards, both in personal communications as well as in electronic communications with third parties. This also applies to confidential information made available to us by third parties. Details can be found in CSOP DS 002 Handling Information. Without approval, employees are not permitted to take part in public discussions (e.g. lectures, internet forums, etc.) in their role as a Carl Zeiss employee or publish company-relevant information (e.g. Internet). CQP 0031 applies for external communications.

9 Ban on insider trading

Insider trading laws prohibit the use of insider information to gain a direct or indirect personal benefit in the purchase or sale of securities, stocks and bonds, as well as the unauthorized dissemination of such information. Insider information refers to all facts that are not generally known which refer to the issue of securities, stocks and bonds and which can considerably influence the value of these securities, stocks and bonds if made public, i.e. information that an investor would consider important in his/her decision to buy or sell. This can be information on planned acquisitions, strategic alliances, financial results, new products, problems with products and important agreements.

Employees who, as a result of their activity for Carl Zeiss, have access to insider information regarding listed Carl Zeiss units (e.g. Carl Zeiss Meditec AG) or other listed companies are prohibited from buying or selling shares in these companies or disseminating information to third parties. "Third parties" in this sense also refers to family members, personal friends and associates as well as Carl Zeiss employees who do not have knowledge of insider information as part of their position. This prohibition applies until the information is no longer relevant to the share price or becomes public knowledge.

Forbidden insider trading can have considerable criminal and civil consequences for both the employee and the company.

10 Avoiding conflicts of interest/private activities

To avoid conflicts of interest, every employee must report the intended

- acceptance of a position in another company
- performance of paid or unpaid secondary employment
- the performance of an entrepreneurial activity to his/her superior or the responsible human resources area and obtain permission. This applies in particular to the acceptance of positions in or for a company with which Carl Zeiss has a business relationship or is in competition.

Every activity that could lead to a personal conflict of interest for an employee is also a conflict of interest if a family member, or partner or friend, or third party performs this activity.

Carl Zeiss supports the social and political commitment of its employees. A position in clubs, parties, or other social or political institutions, whether as a mandate or honorary, must not interfere with the fulfillment of his/her professional duties.

Opinions in public shall be made without reference to the position in the company and convey loyalty to the company.

11 Anti-discrimination

All employees and business partners have the right to fair, polite and respectful treatment by their superiors, colleagues and employees. No one may be harassed, discriminated against or penalized based on race, skin color, nationality, ancestry, gender, sexual orientation, religion, world view, political orientation, age, physique or appearance.

Every employee is obligated to respect the personal sphere of other employees. All sexual harassment, bullying and intimidation are forbidden.

12 Adherence to export controls and customs regulations

Carl Zeiss is a globally operating company which must comply with regulations in its international activities, which limit the free movement of goods. In particular, Carl Zeiss supports the efforts to prevent the proliferation of weapons of mass destruction (WMD). To these ends, various national and international laws or embargos limit or forbid the import, export or national trade of goods, technologies and services, as well as monetary transactions and movement of capital. The limitations and bans can be due to the nature of the goods, the country of origin or country in which the goods will be used, or who the business partner is.

National and international export control regulations are particularly important. Every employee must comply with these control regulations if goods or services are purchased, arranged, manufactured or put into service, or if technologies are transferred or accepted. The necessity of regulatory approval must be checked before any trade is performed. Carl Zeiss also avows to fight smuggling. Every Carl Zeiss company, as well as its employees, must comply with the respective customs regulations in connection with all import/export business. In addition to the consequences to the respective business unit, violations of the above-mentioned regulations can lead to severe damage to the reputation of the entire company and incalculable consequences. All Carl Zeiss companies must take necessary organizational precautions, and designate responsible personnel who ensure compliance with the above-mentioned regulations.

Details are available in CQP 0040 Export Control Directive.

13 Occupational safety and health protection

We take safety in the workplace and the safety of our products very seriously.

All employees are expected to comply with the safety regulations, be aware of hazards and be aware of all safety-relevant activities. This applies to all hazards that could occur at our employees' workstations or in the use of our products. Recognized accidents or hazards and exposure that are considered possible, as well as near accidents, must be reported to the responsible superior immediately.

The management of the business units is required to establish and monitor a safety organization. Each superior is responsible for the protection of his/her employees and must provide instruction, training and supervision. All management personnel are required to perform risk assessments to determine and assess the hazards and exposure to people. This includes the organization of occupational health care.

The use of hazardous materials in our products or production and business processes is to be avoided whenever possible. Whenever it is deemed necessary to use hazardous materials, it is the responsibility of management to ensure that employees are informed about the nature of the respective hazard and trained in the proper handling and disposal of the material.

14 Environmental protection

Our company avows to protect the environment as a corporate objective and declares the sparing use of resources in our manufacturing processes as a pivotal production factor. The following guidelines apply to environmental protection:

- We preserve our environment, sparingly use all natural resources and avoid or reduce the strain to people and nature
- We incorporate the requirements of an intact environment into the development, design, manufacturing processes, packaging and shipping of our products, as well as in the improvement of processes and the introduction of new systems and products.

We also expect our business partners to comply with all legislation and directives on the protection of people and the environment.

Training on environmental protection is a fixed element of employee qualification programs. When disposing waste, the most environmentally friendly disposal method that is also economically viable must be selected.

If incidents occur that could result in environmental pollution, the responsible position in the company must be immediately and comprehensively informed and initiate the legally stipulated reports to the authorities.

We inform the public through regular environmental reports that environmentally friendly action is a key element of our corporate culture.

15 Handling information/documentation

A successful and effective business requires all relevant information to reach the necessary circle of addresses. However, an unsystematic scattering of information can lead to a blockade. All employees are therefore requested to carefully decide who must be supplied with which information in order to quickly bring about the required decisions which are based on solid information.

Compliance with sufficient security standards must be observed when disseminating information, i.e. every employee must be aware of the level of required confidentiality when passing on information. All relevant issues that affect business activities must be systematically and reproducibly documented. Legal retention periods for documentation must be observed.

16 Behavior towards authorities

Carl Zeiss endeavors to maintain an open and cooperative relationship with all responsible authorities. If authorities pursue violations of applicable law, such processes follow specific rules. These rules include the right to legal counsel. Making use of this right and the "right to remain silent" in no way constitutes admission of guilt.

If investigations are conducted by the authorities, superiors and the company attorneys – employees in the tax department for tax-related processes – must be called in.

No employee is allowed to destroy, alter or remove printed or electronic company documents connected to a judicial, regulatory or civil investigation or law suit.

17 Compliance with the Code of Conduct and monitoring

Every employee receives a copy of this Code of Conduct. Reading this Code of Conduct, however, is not enough. Every employee is required to review his/her conduct based on the preceding rules and become aware of areas of activity where improvements are possible.

Management personnel are particularly obligated to act as role models, behave with integrity in everyday business and inform employees in their area of responsibility about the basic values on which this Code of Conduct is based and to integrate this Code of Conduct into employee training. Management personnel are also obligated to ensure compliance with the Code of Conduct. Violations of the law and of this Code of Conduct will not be tolerated. The company shall implement compliance with the above-mentioned rules. Violations can be punished with civil, criminal and work-related consequences. Every employee is expected to seek the advice and support of his/her superiors, the responsible department or the respective workers council regarding the legal doubt of his/her own behavior or if evidence of legally dubious processes in his/her work environment exists. Openness and trust are vital, particularly in cases in which the company could be harmed. Furthermore, it is possible to contact the head of Corporate Human resources or the head of Legal Affairs and Patents confidentially.



Carl Zeiss AG

Corporate Legal Affairs and Patents

73446 Oberkochen, Germany