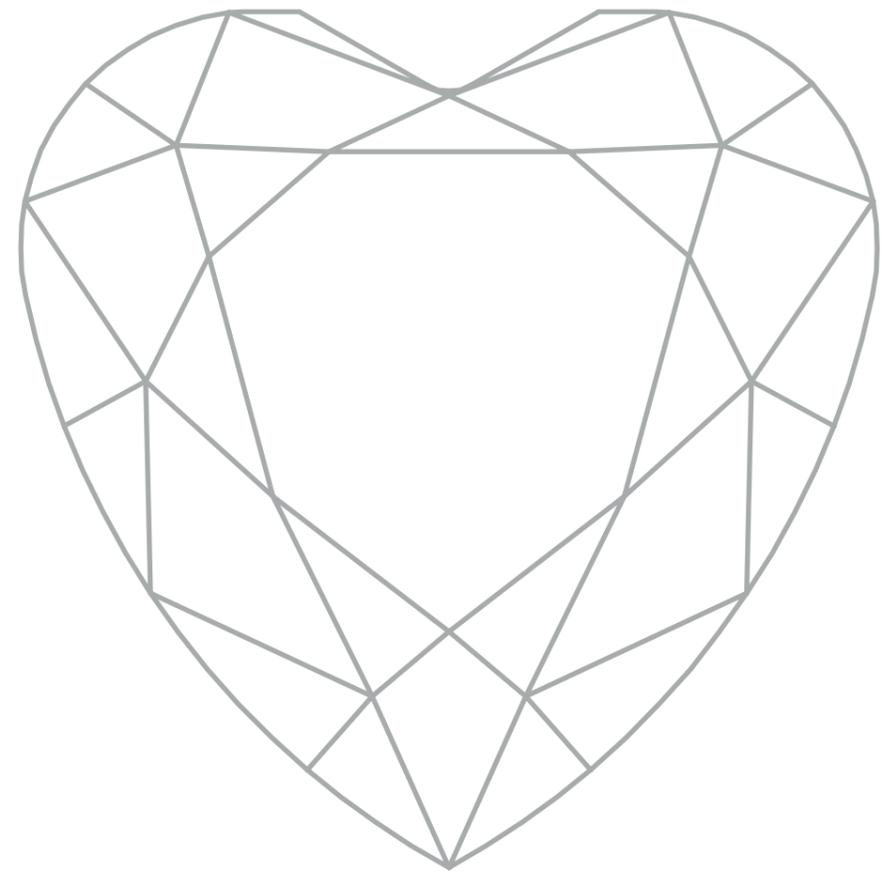


THE SUSTAINABLE
WORLD

— O F —

PRECIOSA

PRECIOSA



C O N T E N T S



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INTRODUCTION

Nestled between the Jizera and Lusatian mountain ranges in northern Czech Republic are the rolling hills and clear blue skies of Crystal Valley. It was here in the heart of Europe, where nearly five centuries ago the first kilns began to illuminate the glassmaking ateliers scattered across North Bohemia, eventually giving birth to a global industry that has all but defined an entire region's cultural heritage.

This region is also the home of Jablonec nad Nisou, where Preciosa was officially founded in 1948 and is still proudly located today. Known also by its German name, Gablonz—as it was called during the bygone days of the Austro-Hungarian empire—this quaint Bohemian village, with its abundant supply of skilled labor and proximity to coveted natural resources, rapidly emerged as Europe's glassmaking epicenter.

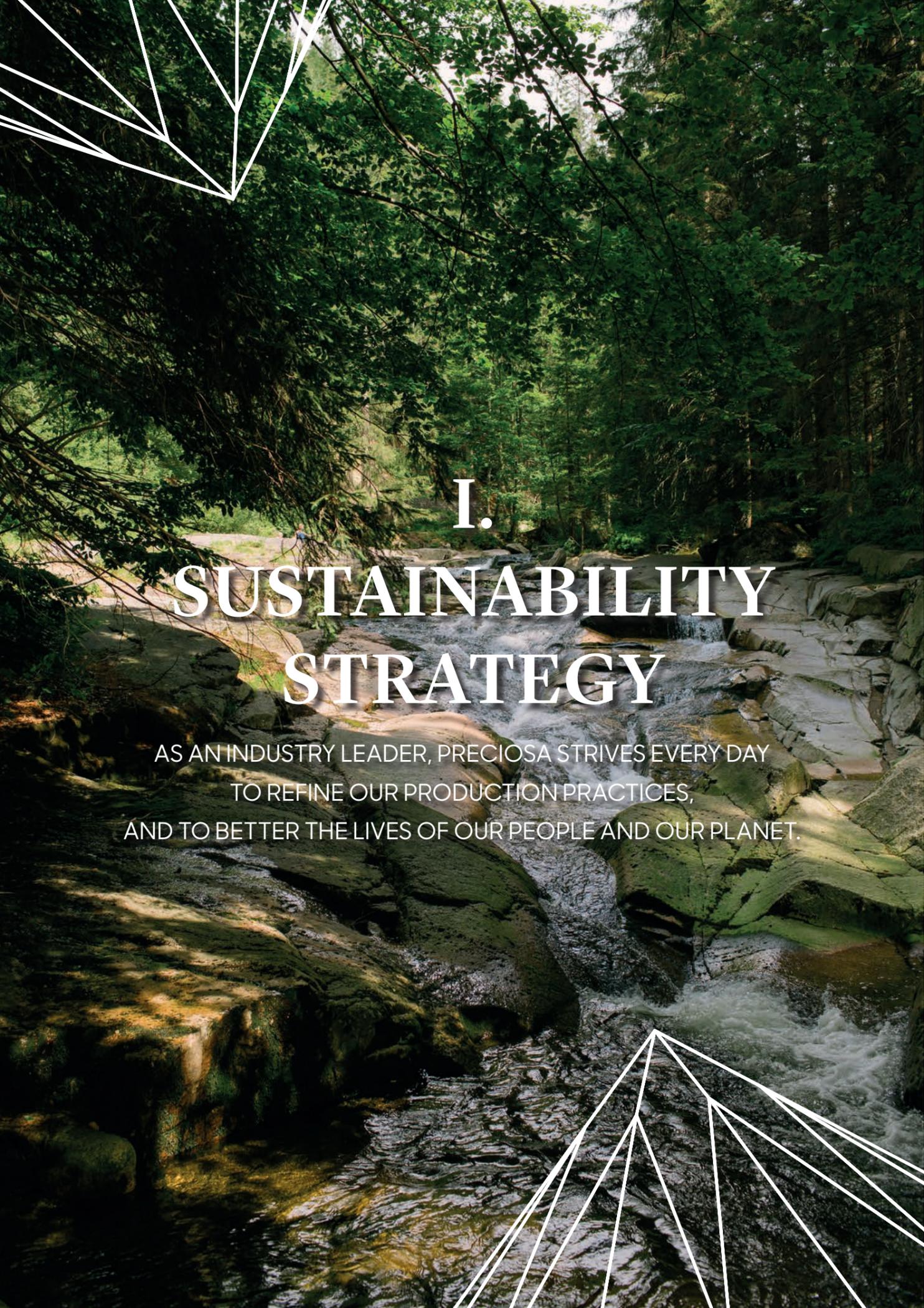
Our crystals are a tribute to these resources, both human and natural. And we feel it is our duty to protect and preserve them not only because it is in Preciosa's own best interest to do so, but for the future generations of glassmakers who will keep our Bohemian heritage alive.



Did you know?

Much like Champagne only comes from the province of Champagne in France, Bohemian Crystal only comes from one of three sub-regions, collectively called North Bohemia, of present-day Czech Republic.





I. SUSTAINABILITY STRATEGY

AS AN INDUSTRY LEADER, PRECIOSA STRIVES EVERY DAY
TO REFINE OUR PRODUCTION PRACTICES,
AND TO BETTER THE LIVES OF OUR PEOPLE AND OUR PLANET.

Preciosa strives every day to refine our production practices and to better the lives of our people and our planet. We believe that in the not-so-far-away future sustainable sourcing and production will simply be prerequisite to doing business. This is why our sustainability strategy and our business strategy are inseparable, and why the only way forward is to continue to invest into cleaner crystal.

As an industry leader, Preciosa's commitment to meeting or exceeding sustainability benchmarks set forth by the Europe-

an Commission ranges from every day eco-based solutions to long-term investment into greener technology. Whether it's bringing more sustainable products to market or the roll-out of a new program to better utilize our deadstock items, our pledge to be a more sustainable company is at the core of each of our current and ongoing initiatives. Beyond our business practices, we dedicate time, energy and funds toward the conservation of our region's ecosystem and natural resources, without which our crystals would not shine nearly as bright.

While we are proud of where we are at the time of this document's publication, we know we can always do better. As we continue to take bigger and broader steps in the right direction, we will continue to update our sustainability credentials so that our business partners may rest assured of our commitment to quality and the future of our planet. From the beginning, Preciosa's mission has been and always will be to lead the way into a more sustainable future for glassmaking.



II. RESEARCH AND DEVELOPMENT

PRECIOSA'S STATE-OF-THE-ART RESEARCH AND DEVELOPMENT FACILITY HOUSES A TEAM OF 60 ENGINEERS, CHEMISTS, ECOLOGISTS AND LAB TECHNICIANS DEDICATED TO MAKING OUR CRYSTAL VISIONS A REALITY.

Since its establishment in the early 1990's shortly after the privatization of the company, Preciosa's in-house research and development team has pioneered the way toward more environmentally friendly crystal, not only for Preciosa but for the industry at large. These advancements range from innovations in composition and chemical make-up of the glass to the creation of entirely new machinery, all in the name of conservation without compromising on the quality or brilliance of our products.

Located near our main campus in Jablonec nad Nisou, Preciosa's state-of-the-art research and development facility houses a team of 60 engineers, chemists, ecologists and lab technicians dedicated to making our crystal visions a reality. These experienced men and women—many of whom have been with Precio

sa for more than a decade—work hand-in-hand with our production and quality departments in a synergetic relationship that allows us to bring innovative, eco-friendly crystal products to market. This process can take anywhere from six months to six years depending on the degree of difficulty.

Lead-Free Brilliance & Colored Glass

It's not only about how our crystals are made, but what they are made of. For centuries, the defining difference between glass and crystal was the presence of lead. When added to the raw mixture, this heavy metal yielded a clearer glass with a more sparkling, glossy finish that came to be known as crystal. Other naturally occurring elements like cadmium and arsenic were likewise included as coloring and fining agents respectively to achieve vivid, "pure" hues of specific glass shades. And although these metals are rendered inactive once the glass is cooled, some can emit trace amounts of toxic fumes during the melting process, which has plagued the glassmaking industry even into the twenty-first century.

After continued investment and many years of development, Preciosa introduced its first lead-free crystal in 2013—known today as our MAXIMA line—which

was followed by the gradual removal of lead content from existing shapes and sizes. Today, 95% of Preciosa's entire portfolio is lead-free, which equates to 25,000 unique products. In 2018, Preciosa unveiled Red Velvet, the world's first "true" cadmium-free red. However, our research and development team not only endeavor to create new colors but also continue to re-think existing glass recipes that allows the omission of substances that pose a potential risk to the environment.

Waste-Saving Cutting Technology

Preciosa stones are recognized throughout the world for their unrivalled precision and consistency. Our quality standards allow only for the strictest size variation tolerance, which can be as exact as less than one-tenth of a millimeter. This ensures a reliable fit for fashion and fine jewelry stones intended to be set in metal parts. Up until recently, size homogeneity was controlled during sorting of already-cut, semi-finished stones. Tasked with achieving even stricter size standardization across the portfolio, Preciosa's team of researchers developed and patented a new technology that produces even more precise sizes during the cutting process itself, saving both time and waste.



Did you know?

While some colors require only one mixture to achieve an identical hue in every stone variant, some require a specific ratio for each size. From barely-there microsized to larger-than-life fancy shapes, the color must match exactly. One Preciosa color requires 18 different recipes.

III. TRANSPARENT SUPPLY CHAIN

PRECIOSA GUARANTEES THAT OUR PRODUCTS CONTAIN ONLY MATERIALS THAT ARE SOURCED IN COMPLIANCE WITH ALL INTERNATIONAL HUMAN AND ENVIRONMENTAL RIGHTS LEGISLATION.

Preciosa is deeply committed to the integrity of our products. When we say "made with only the finest, locally sourced raw ingredients," we mean that 80% of the materials we use in the production of our crystals and fine jewelry stones are sourced right here in the Czech Republic, with an additional 10% coming from elsewhere in the European Union. The remaining 10% of imported materials, comprising largely of heavy and precious metals, come only from trusted suppliers who have been carefully vetted through multiple on-site visits. Preciosa guarantees that our products contain only materials that are sourced in compliance with all international human and environmental rights legislation.

Conflict-Free Minerals

The mining and sale of minerals and metals such as tin, tungsten, tantalum and gold, (also referred to as 3TG), is often unfortunately used to finance armed groups, fuel forced labor and support corruption in politically unstable regions. Gold, especially, is crucial to the production of colored glass-crystal, which is used as a primary coloring agent. Preciosa strictly complies with all legislation and guidelines set forth by the European Commission pertaining to conflict minerals and does not source any minerals from

war-torn countries. Our suppliers undergo a rigorous screening process and are required to provide legal documentation proving that their goods do not originate from areas in conflict. We are also prepared to provide proper documentation and a signed declaration to customers who require this certification for resale or use of Preciosa crystals and fine jewelry stones in their finished goods.



Did you know?

...that our Aurum coating is made with real gold? Or that trace amounts of gold and silver are what achieve the exact shades of our pink colors, much like a mere pinch of salt can transform a meal. Some colors, like Limecicle and Erinite, include oxides of rarer elements like erbium, neodymium, praseodymium and cerium.

Heavy Machinery

The large-scale production of crystals and fine jewelry stones is no simple task, not to mention the production and upkeep of the machines themselves. The complicated nature of our business and the technical know-how required to ensure smooth, ongoing operation is why Preciosa chooses to develop, build and maintain much of our high technology and heavy machinery in house, rather than source it from abroad. We rely primarily on the talent and insight of local engineers and electricians, many of whom have received degrees from some of the Czech Republic's most prestigious technical universities and trade schools. Preciosa prioritizes the integrity not only of the contents of our products, but also the machinery and skilled labor needed to create them.



“ 80% of the materials we use in the production of our crystals and fine jewelry stones are sourced right here in the Czech Republic.

IV. RESPONSIBLE PRODUCTION

TOGETHER, THE PRECIOSA GROUP HAS OVER THE PAST THREE DECADES MADE SIGNIFICANT INVESTMENTS INTO THE ADVANCEMENT OF OUR OWN PATENTED MACHINERY AND THE SIMULTANEOUS ACQUISITION AND INTEGRATION OF CLEANER TECHNOLOGY.

From start to finish, the production of every Preciosa crystal takes place within a single region of the Czech Republic in compliance with all environmental regulation set forth by the European Commission. We do not outsource or subcontract any part of the production process. Together, the Preciosa Group has over the past three decades made significant investments into the advancement of our own patented machinery and the simultaneous acquisition and integration of cleaner technology to reduce or offset damaging effects to the environment caused by traditional glassmaking techniques.

In addition to the removal and replacement of harmful compounds from our glass formulas, Preciosa is taking measurable steps to lessen our overall carbon footprint and ensure more circular production practices that reduce waste and conserve the region's natural resources. These steps include (but are not limited to) sorting and recycling of glass, strategic water and waste management and the installation and upkeep of more ecological filtration systems, all of which are fundamental to our sustainability strategy.

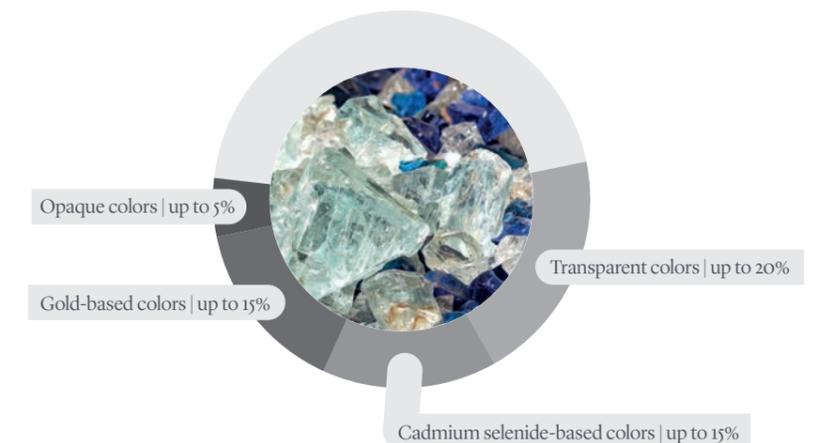
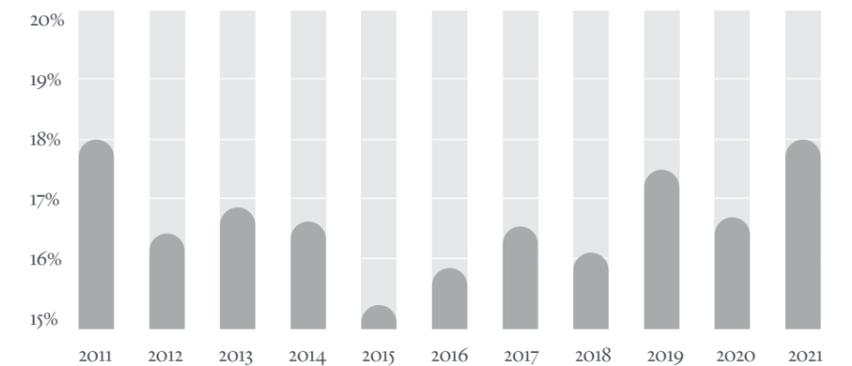
* Except Padparadscha

Sorting and Recycling of Glass

Preciosa crystals serve as the worldwide industry benchmark of quality. To uphold this standard of excellence, we submit our products to a series of stringent quality control procedures that are engineered to detect any flaws or anomalies. Stones with even the slightest defect or variation in color are immediately removed from the process. And while the percentage of error in production is low, simple disposal of defective glass is difficult and unsustainable.

As a result, Preciosa has developed a sophisticated sorting and recycling system designed to effectively reuse these excluded batches of stones, as well as cullet (glass shards) that are collected throughout the production process. These tiny pieces of glass, of which Preciosa recognizes more than 3,000 unique shades, are sorted and added as raw ingredients to new batches before the melting process. Recycled materials account for 5-20% of the total volume of every new batch of glass Preciosa makes.* Transparent colors contain the highest percentage of recycled glass, while highly saturated and opaque colors contain the least.

PERCENTAGE OF RETURNED CULLETS IN TOTAL GLASS COMPOSITION



Water Management

Water has for centuries been the most important resource for the glass production industry. North Bohemia's ready supply was an important prerequisite for the foundation and evolution of glassmaking throughout the region, which dates all the way back to the sixteenth century. This vital resource is used at almost every stage of the production process, including the beginning preparatory phase as well as the final polishing process during which a steady stream is employed to cool down the machinery.

The recirculation of this cooling and wastewater is paramount to the Group's overall sustainability strategy: approximately 70% of water used in production

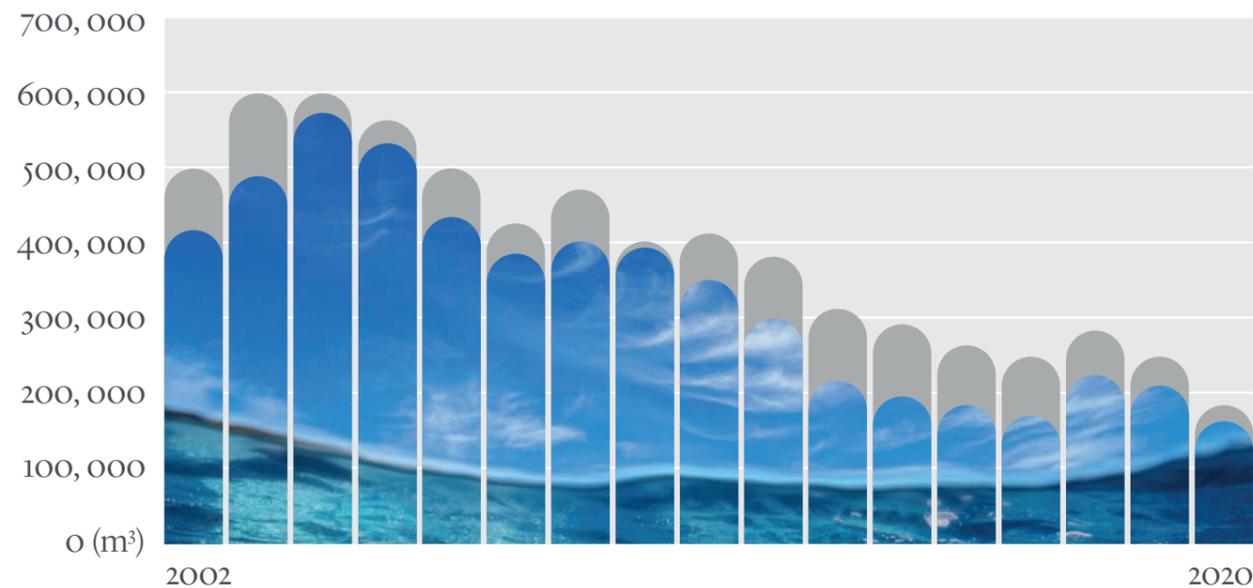
is filtered and returned directly to the cycle. Preciosa also proactively invests into the technological advancement and upkeep of our water treatment facilities that not only replenish groundwater and surface water used in our production, but also supply drinking water to the surrounding communities. As one of the region's largest employers, Preciosa is committed to working alongside the local government to improve the quality of water, and of life, for those who live, work and play in and around our factories.

Our production site in Minkovice, for example, has its own drinking water treatment facility, while Preciosa's treatment plant in Pysk also supplies the drinking water for the village's inhabitants. At the time of this document's publication, a new recycling circuit is being installed at Preciosa's Desná site, which

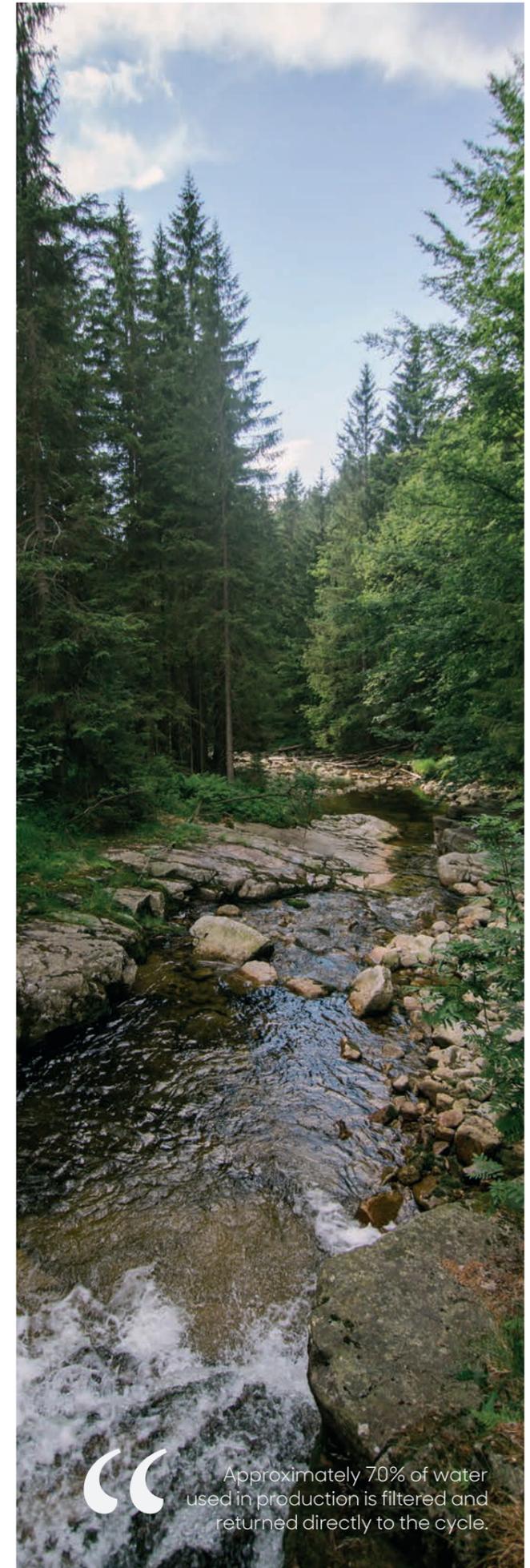
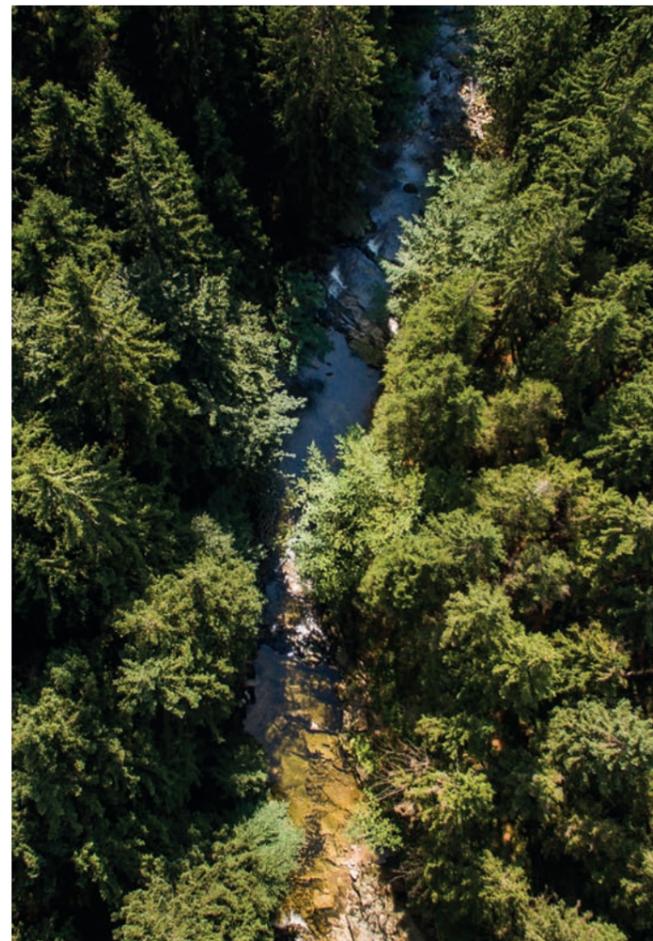
houses our seed bead production, that re-cools the cooling water thereby reducing the consumption of groundwater at this plant by 30%. Together, these individual efforts have resulted in 50% less water consumption by Preciosa Components over the last decade.

The health of our water systems is not only important for glass production, but also for the region's ecosystem and wildlife. Preciosa's continuous modifications to our production practices have succeeded in minimizing any negative impact on the water quality, and in most cases benefit the surrounding landscape. Today, the Group maintains an extensive system of small retention reservoirs near our factories. These strategically placed basins form unique microclimates that are home to several rare and endangered species of plants and animals.

AMOUNT OF WATER ABSTRACTED AND DISCHARGED



“ The health of our water systems is not only important for glass production, but also for the region's ecosystem and wildlife.



“ Approximately 70% of water used in production is filtered and returned directly to the cycle.

Disposal of Hazardous Substances and Waste

To achieve a specific, consistent shade of colored glass is no easy feat. Early pioneers of glassmaking used naturally occurring chemical compounds and heavy metals to color their mixtures, many of which were unknown at the time to be toxic when ingested or inhaled as fumes during the melting process. Compounds like uranium and arsenic were for centuries handled and disposed of in the

same manner as other non-hazardous ingredients, having only much later been labeled as dangerous.

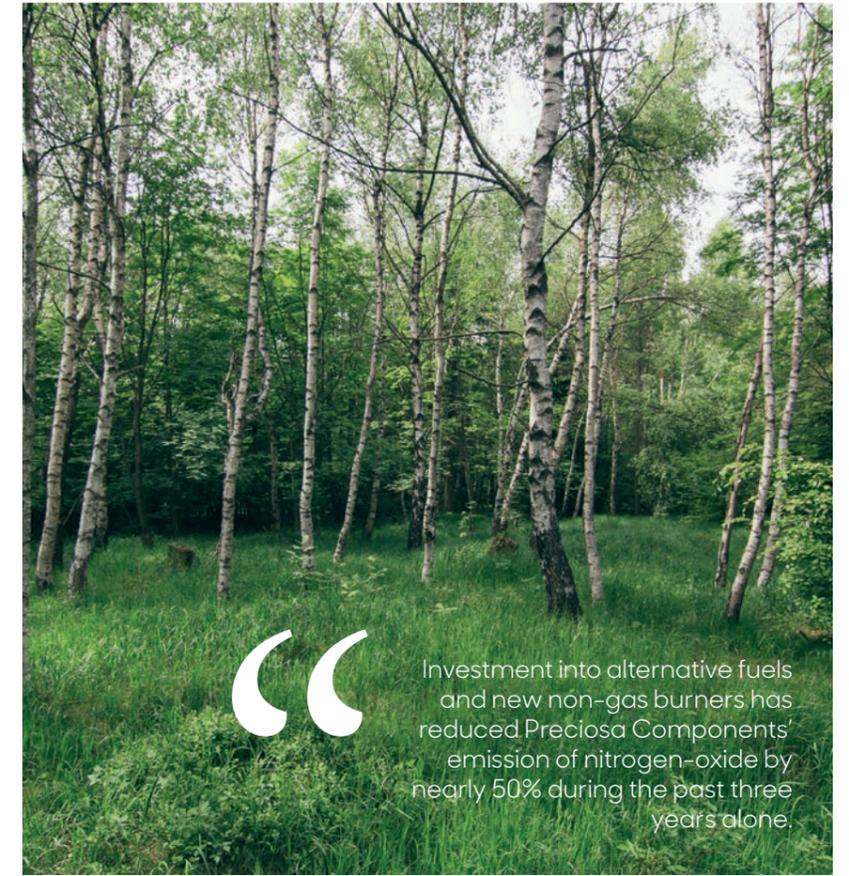
Today, Preciosa's treatment of these materials is dictated by strict, company-wide protocol that complies with, and in many cases exceeds European Union legislation pertaining to the management of hazardous substances. According to this procedure, both hazardous and non-hazardous waste are sorted and prepared for regular collection by responsible, accredited entities with permits for their proper disposal. Whenever possible, non-hazardous waste is used as feedstock.

Proper substance disposal also applies to waste that is indirectly related to glass production, including food waste, which is sent to a biogas plant, as well as electronics, batteries and fluorescent lights, for which Preciosa has designated collection points located around our campuses. Together, these macro and microscale initiatives have resulted in a 40% decrease in waste production by Preciosa Components since 2008.

Emissions Reduction

Situated between the Lusatian and Jizera mountain ranges, Preciosa operates in and around some of the most highly protected areas in Europe. This picturesque valley, bordered by Germany to the west and Poland to the east, emerged as the epicenter of glassmaking during the sixteenth century owing to its abundant supply of natural resources like sand, water and wood. Today, Preciosa is not only required to comply with some of the most stringent environmental legislation in Europe, but in many cases takes extra steps to ensure that our production practices do not interfere with the region's biodiversity on which our operations so heavily rely.

Over the past decade, many of Preciosa's key facilities have been refurbished with cleaner technology and outfitted with environmentally sensitive solutions. Investment into alternative fuels and new non-gas burners has reduced Preciosa Components' emission of nitrogen-oxide by nearly 50% during the past three years alone. Every one of our combustion plants has or will be equipped with newer, more powerful exhaust filters to collect emissions, which are then ecologically disposed of in the form of non-hazardous liquids with the help of specialized third parties.



Investment into alternative fuels and new non-gas burners has reduced Preciosa Components' emission of nitrogen-oxide by nearly 50% during the past three years alone.

In addition to the reduction of greenhouse gas emissions, Preciosa continually alters existing glass recipes to reduce or altogether eliminate chemical compounds like fluoride and use of heavy metals.

Preciosa's research and development team works closely with our in-house ecologists in an ongoing pursuit of more eco-friendly ingredients, the development of more environmentally conscious production practices and the general reduction of waste.

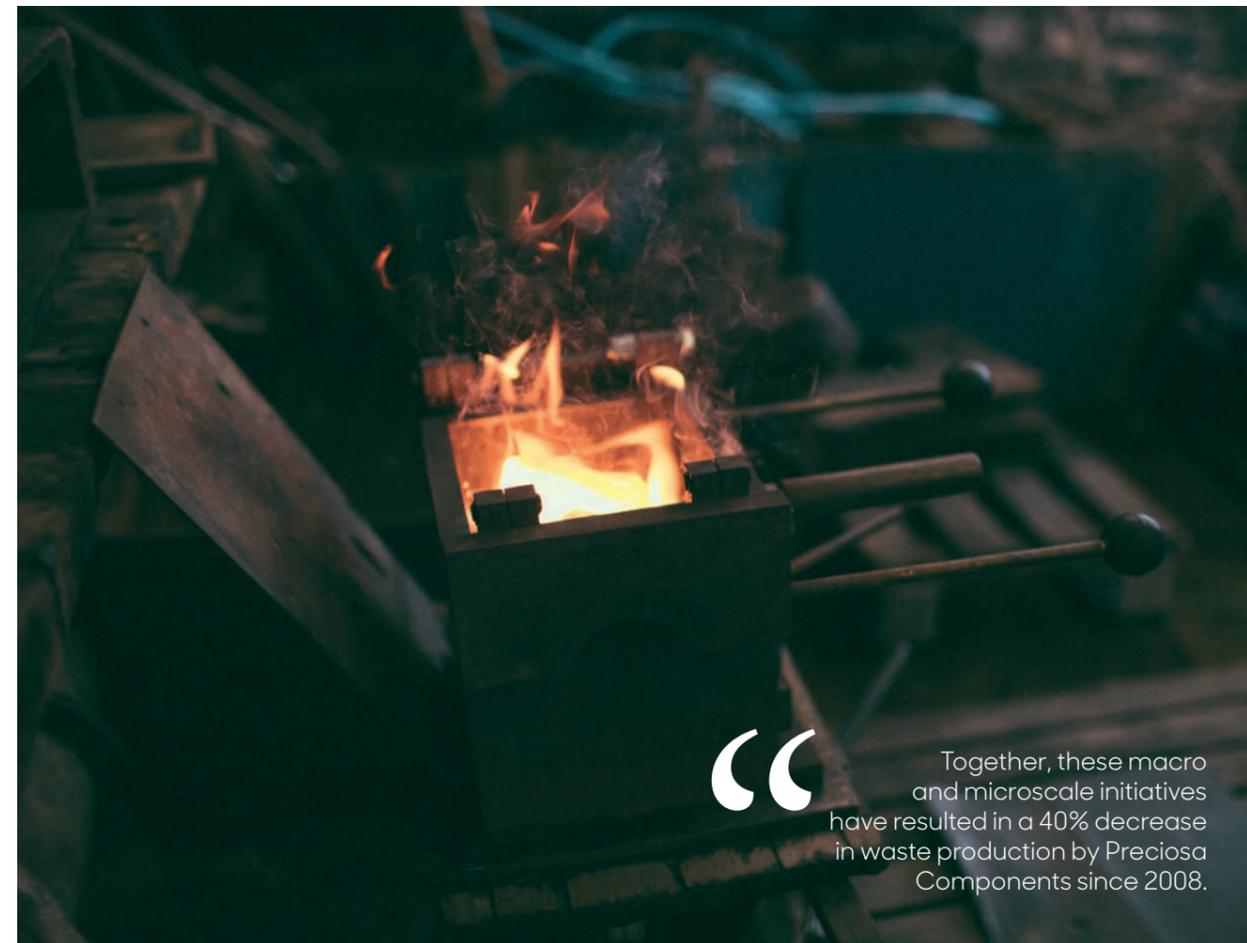
Every operation and campus have their own emergency preparedness plan, which provide detailed protocol for how to successfully manage and prevent

the occurrence of accidents. All production sites are also regularly subjected to testing of emissions levels; though rare, any irregularity is immediately addressed.



Did you know?

Preciosa's headquarters and each of our production sites is located within a single protected region of the Czech Republic? The surrounding nature receives the highest level of environmental protection, second only to our national parks.



Together, these macro and microscale initiatives have resulted in a 40% decrease in waste production by Preciosa Components since 2008.

V. PRODUCT SAFETY AND ECOLOGICAL CERTIFICATIONS

PRECIOSA STRICTLY ADHERES TO A COMPREHENSIVE PROGRAM OF ENVIRONMENTALLY RESPONSIBLE BUSINESS PRACTICES AND MANUFACTURING PROCEDURES.

Preciosa strictly adheres to a comprehensive program of environmentally responsible business practices and manufacturing procedures that comply with all major European Union legislation and worldwide industry standards.

Quality Guarantee

Made with the finest locally sourced raw ingredients, our crystals are unparalleled in both quality and shine. Every stone is carefully crafted using centuries-old glassmaking techniques and natural Bohemian sand, famously rich in silica dioxide, which gives the stones their signature shine.



Lead-Free Brilliance

Preciosa products that carry our Lead-Free Brilliance symbol contain less than 0.009% lead (< 90 ppm) and are made according to the highest environmental and sustainable manufacturing practices. These premium products meet the most stringent industry standards and international safety certifications.

Certifications

Preciosa's premium quality MAXIMA line meets the following certifications:

| | | |
|---|---|--|
| ASTM F2923* Standard Specification for Consumer Product Safety for Children's Jewelry | CPSIA* Consumer Product Safety Improvement Act | REACH Registration, Evaluation, Authorization and Restriction of Chemical Substances |
| ASTM F963* Standard Consumer Safety Specification for Toy Safety | Safety of Toys Heavy metal migration limits according to Directive 2009/48/EC | RoHS** Restriction on Use of Hazardous Substances |
| CPSC 16 CFR 1303 Lead in a Surface Coating | OEKO-TEX Standard 100 Product Class II | |



Did you know?

All Preciosa products are 100% made in the Czech Republic.

* Requirements are fully met by products carrying our lead-free brilliance symbol

** Except Citrine, Coral, Garnet, Hyacinth, Light Siam, Olivine, Siam and Sun

VI. PRECIOSA PEOPLE AND LABOR PRACTICES

PRECIOSA BELIEVES IN EQUAL OPPORTUNITIES
FOR ALL PEOPLE REGARDLESS OF GENDER, RACE, AGE,
NATIONALITY, RELIGION, SEXUAL ORIENTATION,
SOCIAL CLASS OR POLITICAL AFFILIATION.

Every one of our crystals is a tribute to the people who helped create it. Our people are our priority: Preciosa strives to cultivate a workplace that is both safe and professional, but one that is also engaging and enjoyable. No matter the position, we know that every employee plays an important role in the lifecycle of a crystal. It is their commitment to excellence that allows Preciosa to supply the world with best-in-class products that the industry has come to recognize and appreciate.

Our People

At the time of this document's publication, Preciosa employs 3,200 people of which more than one-third work for Preciosa Components, making it the Group's largest division. This includes everyone from mechanics to marketing specialists,

as well as our sales teams in Hong Kong, Moscow, Dubai and across mainland China.

Average length of stay:

16 years

Longest employee:

54 years

Longest consecutive employment:

5 generations

Equal Opportunity and Women of Preciosa

Preciosa believes in equal opportunities for all people regardless of gender, race, age, nationality, religion, sexual orientation, social class or political affiliation. In 2017, the Group adopted a code of ethics, which sets the standards of conduct across all

divisions. All new employees are acquainted with the code of ethics during induction training and onboarding.

Almost half (45%) of Preciosa's employees are women. Women are widely represented in Preciosa's highest management: they comprise 40% of the board of directors and hold 56% of director level positions. Our goal is to ensure that the quality of employment is the same for all genders and we strictly adhere to all national and EU legislation pertaining to equal pay and paid parental leave.

Where the nature of the work allows for the employment of people with disabilities or special needs, we cooperate with various institutions, such as the Labor Office of the Czech Republic, to actively promote these opportunities.



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Jana Havlíčková | HR Director



VII. WORKPLACE SAFETY AND CULTURE

AS A FAMILY-OWNED BUSINESS, AND ONE OF THE LARGEST EMPLOYERS IN THE LIBEREC REGION, PRECIOSA STRIVES TO PROVIDE MORE THAN JUST A JOB.

How we treat our people says a lot about our company. As a family-owned business, and one of the largest employers in the Liberec region, Preciosa strives to provide more than just a job. We believe that sustained investment into the wellbeing of our employees, both in an outside of the workplace, is just as important to Preciosa's success as the products we sell. The average length of employment at Preciosa is 16 years, and the Group is continuously among the "most desirable companies to work for in the Liberec region" according to the country-wide Employer of the Year contest, having been awarded the top spot five times in the past 10 years.

Occupational Safety and Preventive Health Care

The safety of our employees is Preciosa's highest priority. The Group gladly complies with all occupational health and safety laws, regulations and decrees as mandated by both the state and the European Union. Our in-house safety analysts continuously evaluate and seek to eliminate any potential dangers or risks to the health of our employees. We require that all employees attend health and safety protocol training once every two years.

In addition to preventative occupational safety, Preciosa retains several medical doctors who run a series of programs for employees, such as eye examinations, routine check-ups and additional checks for those who work with hazardous substances. Preciosa also operates several sporting facilities throughout the region for the sole recreational enjoyment of our employees and their families. We encourage our people to maintain an active lifestyle for the proven physical and mental health benefits, and often sponsor those who partake in sporting events for charity.

Working Conditions

Though the Group operates a network of sales and representative offices across the globe, the production of every Preciosa crystal and fine jewelry stone takes place all within a single region of the Czech Republic. Preciosa strictly adheres to and in many cases exceeds the high standard of working conditions required of EU member states. This includes a 7.5-hour workday and five weeks of paid vacation every year for every employee.

Since the privatization of the company in 1989, great attention has been paid to the refurbishment of our facilities to improve the quality of working conditions for our employees. Each campus is equipped with all neces-

sary facilities and amenities like toilettes, kitchens and rest areas that are professionally cleaned and re-stocked every 24 hours.

The Preciosa Group strictly adheres to all rules concerning the prohibition of the employment of children.

Labor Relations

Preciosa complies with all local and international labor legislation and supports the right of our employees to associate with and belong to trade unions. We value the individual voices and opinions that comprise our workforce and believe in fostering a constructive dialogue between the company's management and its employees. Preciosa's experienced human resources department takes seriously all complaints and concerns and provides various avenues through which employees may confidentially voice them at any time.

We also firmly believe in the importance our employees' mental health. From our warehouse fulfillment associates to the board of directors, everyone's mental health is important to us. The Group conducts voluntary peer guidance training and encourages our employees to communicate openly with us about any difficult situations they may be facing in, but also outside of the

workplace. Preciosa strives to lend a helping hand to any of our people who may find themselves in a difficult situation whenever and however we can.

Remuneration, Wage Policy and Benefits

Remuneration of Preciosa employees is governed by collective agreements that are renegotiated annually between the company, our employees and the relevant trade unions. In almost all cases, compensation is higher than is stipulated by law, particularly in the case of weekend and night shifts. Throughout the 2020 Coronavirus pandemic, all hourly workers received 80% of their regular salary (instead of the 60% required by the state) and retained full benefits despite significantly reduced or no working hours.

In addition to above-standard wages and working conditions, we offer our people a variety of benefits that support a healthy work-life balance. As one of the largest companies in the region, Preciosa frequently employs more than one member of the same household; often partners with young children. Family is one of the company's core values and is supported by relevant benefits like flexible working hours for non-shift workers,

a company-funded, tuition-free kindergarten, discounted tickets to sporting events and a series of annual "fun days" for Preciosa employees and their children.

Preciosa also offers subsidized, catered meals for all employees, as well as complimentary work-related transport and even onsite accommodation in our company-owned dormitories. Preciosa executives are encouraged to seek out opportunities to further their personal and professional development, like business seminars and language lessons, all of which can be financially supported by Preciosa. The Group also owns several lakefront cottages accessible exclusively to employees and organizes summer camping trips for employees' children.



Did you know?

Retired Preciosa employees still receive discounted lunches from our onsite canteens for the rest of their lives? If you visit one, you will often see retirees meeting for lunch.



In addition to above-standard wages and working conditions, we offer our people a variety of benefits that support a healthy work-life balance.





VIII. CORPORATE SOCIAL RESPONSIBILITY

PRECIOSA IS DEVOTED NOT ONLY TO OUR REGION FOR ITS NATURAL RESOURCES; WE ALSO CARE DEEPLY ABOUT AND INVEST INTO THE WELFARE OF THE PEOPLE AND FAMILIES WHO LIVE HERE.

Preciosa is devoted not only to our region for its natural resources; we also care deeply about and invest into the welfare of the people and families who live here. Our work relies heavily on the glassmaking knowledge passed down from generation to generation of local craftsmen and women, and we believe the sense of community and shared heritage is what makes our company and our region so special. Through various charitable contributions and initiatives, we strive to better the lives of our employees, their families and local residents not employed by Preciosa.

The Preciosa Foundation

Since its foundation in 1993, the Preciosa Foundation has donated more than \$12 million to various causes and philanthropic organizations throughout the Czech Republic. The Foundation's primary focus is on the Liberec region and the people and families who live here. We contribute to projects, civic initiatives and charities that are dedicated to the development of our local communities and perpetuation of the glassmaking tradition that is so deeply intertwined with our region's history.

The Education Fund contributes to the purchase of equipment, textbooks and supplies for universities and secondary and

primary schools throughout the Liberec region. The Foundation also funds several scholarships for gifted university students and doctoral candidates in the fields of technology and engineering. In 2003, the Foundation established an annual grant available to schools who wish to further their creative and performing arts programs.

The Sports Fund contributes to the education and implementation of a healthy and active lifestyle for children and young adults in the Liberec region. This fund is reserved for the purchase of sports equipment not-for-profit sports clubs and schools and the renovation and management of public sports facilities near the Group's campuses.

The Health Fund contributes to the upkeep of local public healthcare facilities and furthering the causes of non-profit organizations who run preventative healthcare campaigns and awareness events. The Foundation also co-organizes annual influenza vaccinations and supports healthcare education through several initiatives.

The Culture Fund contributes to regional interest groups, associations and organizations who implement various cultural activities, such as musical ensembles and theater performances. This fund also supports art exhibitions and causes that perpetuates cultural values and heritage, including the refurbishment of

historically significant buildings.

The Social Fund contributes to residents with disabilities and families in need. The Foundation carefully considers the degree of urgency and socio-economic status of applicants and their families. Since 2004, endowments to natural persons are managed by a separate, sub-fund according to strict internal criteria.

Preciosa encourages our employees not only to participate in the Foundation's activities but also to form and participate in their own volunteer projects. We believe that charitable actions should be recognized and provide the following compensation to employees who volunteer their time and resources:

- Wage compensation for volunteer work on specified working days
- Compensatory leave for weekends and public holidays for participation in Foundation projects
- Tax deductions for financial contributions
- Annual Preciosa Foundation awards

In March 2020, during the onset of the Coronavirus pandemic, Preciosa redirected part of our workforce toward the production of cloth masks, which were distributed through the Founda-

tion to families, nursing homes and small businesses throughout the region. This initiative was the recipient of a 2020 Donor Forum Award. The Foundation also donated \$75,000 to local hospitals for the purchase of ventilators and medical equipment needed to combat the virus.

Master of Crystal Design Challenge

More than a competition, the aim of Preciosa's Master of Crystal design challenge is to foster interest in the tradition and future of glassmaking among the nation's young generation. Every year, the hosting Preciosa division invites students enrolled in a secondary school or university to partake in a crystal challenge for chance to win a cash prize and mentor package. Hosted in 2021 by the Group's Components division, this edition offers fashion and design students the opportunity to present their submissions during the September 2021 Mercedes-Benz Prague Fashion Week official program to a panel of judges that includes some of the most influential Prague-based designers, academics and fashion editors.

Cultural -Heritage Education Initiatives

Bohemia's tradition of glassmaking dates all the way back to the 15th century. Preciosa runs and partners with a number of educational programs that support the preservation of this time-honored craft including Preciosa's own Crystal Valley summer program for university students in Kamenický Šenov, where the Group's Lighting division and master glassblowers are located.

We also support many university programs, conferences and scientific research projects throughout the Czech Republic that focus on glassmaking and technological development in related fields. Preciosa is an official partner of the Czech Republic's Museum of Glass and Jewelry and often lends pieces from our archive for long-term display. Preciosa also offers various internships for students attending trade and secondary schools and runs a placement program for recent graduates.



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Since its foundation in 1993, the Preciosa Foundation has donated more than \$12 million to various causes and philanthropical organizations throughout the Czech Republic.



Preciosa Components

A Member of the Preciosa Group

A global leader in luxury goods manufactured from crystal, the Preciosa Group stands upon centuries of glassmaking tradition and innovation. From the world's smallest faceted flatback stone to our cutting-edge, bespoke lighting installations, Preciosa looks to our own unique heritage to draw inspiration for the future of responsibly crafted Bohemian crystal. Together, the Group operates regional offices across Europe, North America and Asia and melts 40 tons of glass every day.

[PreciosaComponents.com](https://www.PreciosaComponents.com)