



Code of Conduct

Compliance in the NETZSCH Group

Preface

Dear NETZSCH Employees,

„Compliance“ is much more than a buzzword. The Shareholders and Managing Directors of the NETZSCH Group want to ensure that all employees act conforming to the law. For this purpose a capable organisation has been implemented.



What does Compliance mean?

For us Compliance means to comply with the internal regulations as well as national and international law. We expect this from every NETZSCH Employee. Short-term goals must not be weighed against Compliance. Under internal regulations we understand any company-internal guidelines, both formally written down or established by practice.

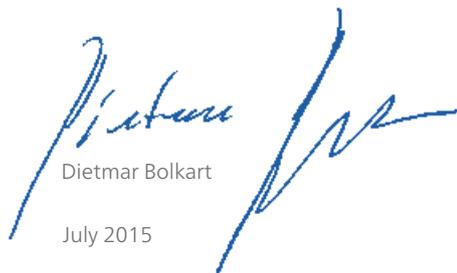
Why do we need Compliance?

To act in compliance with the law and company-internal rules and regulations should need no explanation, especially since we are a family-owned company bound to the ethic and moral requirements of our Shareholders. Furthermore Compliance Infringements can cause considerable costs. Hence Compliance makes sense also for economical points of view, both for every individual employee and for the company.

How can we achieve Compliance?

Compliance has to be effected from both sides, the organisation and every individual employee. For this purpose the Management delegates Compliance Tasks to several specialists. Nevertheless Compliance is an executive function, the responsibility cannot be delegated downwards. The supportive Compliance Process has been formulated in this way that the compliance with the relevant regulations can be realised by every employee and manager and random checks can be made.

The Shareholders and all Managing Directors of the NETZSCH Group expect that every employee acts in compliance with the law. The provided Code of Conduct can be a basic parameter, but cannot cover all laws and therefore can never be complete. Should you have doubts, simply act with a clear conscience and contact your direct superior or Compliance Officer.



Dietmar Bolkart
July 2015



Dr. Hanns-Peter Ohl

The Compliance Management System

THE MAIN COMPONENTS OF OUR COMPLIANCE MANAGEMENT SYSTEM ARE AS FOLLOWS

1 Code of Conduct and internal rules and standards

The Code of Conduct is binding for all NETZSCH Employees, but not comprehensive. We expect that all employees comply with the laws, even if they are not specifically mentioned here. In case of a conflict between applicable laws and internal regulations including this Code of Conduct the laws shall prevail. Acting lawful requires that all of our employees are aware of the internal rules and regulations and legal requirements. The Compliance Process uses rules and standards, which will be available for our employees clearly arranged and up-to-date. Via the NETZSCH Intranet every employee will be able to read up on Compliance and individual guidelines.

2 Training

Every employee shall be able to evaluate and understand the relevant laws for their own field of activities. For this purpose training courses are necessary, which are specified to our business activities and which will give certainty to the employees to act with confidence.



3 Compliance Organisation

Dietmar Bolkart will manage and take responsibility for the Compliance Organisation. The Compliance Regulations and Compliance Management System will be continuously developed further. Every country will have a „Local Compliance Committee“ consisting of one representative of each resident company in this country. These „Local Committees“ are responsible for the development and enhancement of the Compliance Management Systems. Furthermore country-specific training courses will also be held. Correct application of the system will be assured by the existing, operating BU organisation. In principle the NETZSCH Group relies on confidence. This confidence shall be further encouraged by inspections which shall be done in regular intervals, randomly and documented. Should random checks result in any sign of an intended infringement, appropriate inspections and consequences will be initiated.

4 Reporting of Compliance Infringements

Every employee is requested to report Compliance Infringements which are from their point of view either serious or will occur again. Serious infringements are e.g. falsifying data, danger to life or physical condition of employees, criminal relevant matters, corruption and danger for business secrets. There are three ways of reporting:

- a In principle a Compliance Infringement should be reported to the direct superior. The direct superior will submit the information to Dietmar Bolkart's attention and his line managers up to the manager of the Business Unit.
- b Should an employee not want to talk to his superior, there will be an external person to contact in each country. This person will directly report to Dietmar Bolkart. If requested, the identity of the reporting person can be kept anonymous as long as possible. We do not want to open doors for a internal spy culture, but want to ensure, that every employee can fulfil his part of the Compliance Responsibility.
- c In addition every employee does have the possibility to contact Dietmar Bolkart directly.

Provided data will not be recorded electronically or saved and the employee occurred of a compliance violation will be informed as soon as possible.

Our Employees are an Important

Product integrity

NETZSCH aims to meet the highest quality standards for our products. Our goal is to build and retain customer trust, loyalty and satisfaction while strengthening the Brand NETZSCH. Compliance with relevant rules and regulations especially concerning product safety, product liability and guarantees is self-evident.

Work environment

No employee should be harassed, discriminated or handicapped without cause due to their race, nationality, descent, sex, religion or philosophy of life, political attitude, age, disability or sexual orientation. To provide safety and health protection at work is the basis for successful business activities for NETZSCH. NETZSCH complies with relevant provisions concerning occupational safety and health protection and provides a work environment which is secure and beneficial to one's health, in order to maintain the NETZSCH Employee's health and to avoid accidents, injuries as well as work related illnesses.

Data security / handling of confidential information and business secrets / IT

Every employee is bound by law to protect data confidentiality and must not collect, process or use personal data of employees, customers and third parties without their consent or legal permission. The person concerned has to be informed by NETZSCH

about the first-time collection of his personal data, should the data be collected without his knowledge. Confidential information and business secrets as well as business documentations (including E-Mails) belong to NETZSCH and have to be correctly filed and saved. In principle only explicitly authorized employees are entitled to publish any confidential information and business secrets and they have to be secured against illegal access by third parties or other employees. The relevant IT-Guidelines of NETZSCH have to be absolutely complied with at all times.

Anti-trust law / competition law / trade mark rights of third parties

Every employee has to comply with the principles of a fair and open competition. Agreements of any kind with competitors concerning prices, terms and conditions of business, market allocation and other economical sensitive issues have to be refrained from, unless they have been legally reviewed concerning compatibility with the applicable anti-trust law regulations. Infringements of intellectual property rights of third parties are to be avoided.

Foreign trade

Applicable regulations and restrictions concerning international trading including export and import regulations of the country concerned at the time must be observed. This especially applies to those countries which are subject to a trade

Success Factor

GENERAL CODE OF CONDUCT OF THE NETZSCH GROUP

embargo. On international deliveries or orders NETZSCH must – in case of reasonable suspicion – check whether the foreign partner is banned from trading due to relevant foreign trade regulations.

Conflict of interest

Employees are obliged to avoid any activities in or outside the company which causes or could cause a conflict of personal interests with the interests of NETZSCH. Business matters should never be influenced by personal interests or considerations. No employee must use their position or the property of NETZSCH for their personal advantage or other gain.

Corruption, gifts and benefits

Employees are not permitted to offer or to acquire personal advantages or monetary payments or other benefits when initiating, placing or processing an order. Furthermore employees are not allowed to provide or to accept nonmonetary gifts. In principle this is applicable worldwide. The only exception concerns occasional, promotional and non-monetary gifts, which are customary in the country in question and which are not granted or accepted in return for a preferential treatment or evasion of statutory provisions. However, business decisions must not be influenced by such gifts. If in doubt employees should get approval by their superior and follow local guidelines. Gifts to public officials are generally forbidden.

Financial integrity

Any business records that NETZSCH prepares, publishes or provided to authorities, shareholders and creditors, have to be complete in terms of the applicable accounting principles. All financial records have to be prepared correctly, in time and in accordance with the applicable legal requirements by the employees according to their field of activity and area of responsibility.

Environment

Every employee has to observe the applicable environmental laws. NETZSCH strives to contribute to the protection of the environment by responsible and sustained actions and behaviour.

Further information

Please visit our Compliance-Intranet-Page



Should you have any suggestions, questions or criticism, please do not hesitate to contact
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