

**NETZSCH**

Proven Excellence.



# Code of Conduct

Compliance in the NETZSCH Group

# Preface

Dear Colleagues,

This Code of Conduct is intended to help you understand and adopt the NETZSCH standards of ethical business practice. The Code of Conduct applies to all employees and representatives of our Group. Compliance with these principles is vital to maintain our reputation as a proven excellent and most respected business partner since 1873. Personal integrity is at the core of these principles as well as our values "Trust & Accountability," "Professionalism & Innovation," "Fairness & Loyalty." We expect everyone associated with us to always choose right over wrong and make decisions for the general good of the Group without exception. It is also the obligation of every employee to report any observed or known violation of these principles to the management. A Code of Conduct could never anticipate every ethical



decision we may face in business. So, if you are ever uncertain about any matter having ethical implications, you should seek guidance from your members of management, your Compliance Committee or the Group Compliance Manager. Violation of the Code of Conduct is a serious matter and could subject you and/or your company to civil liability or even criminal prosecution. It is important that you read this Code of Conduct carefully and ask questions about anything you do not understand. Each of us must understand and accept our legal and moral responsibilities in preserving and enhancing our Group's reputation for integrity. All managers are obliged to support, monitor and encourage their employees to comply with our Code of Conduct.

The Code of Conduct can be viewed on our Group's website. Every cooperation partner must ensure compliance with our Code of Conduct as a condition of their relationship with NETZSCH.

External parties are also invited to contact the Group Compliance Manager with any points of criticism.

Thank you for incorporating our Code of Conduct in everything we do so that NETZSCH remains the first choice for our customers and business partners.

The Global Management Team (GGT)  
Selb, April 2020



Moritz Netzsch



Paul Netzsch



Jens Niessner



Dr. Thomas Denner



Dimitrios Makrakis



Felix Kleinert

## Our Claim

NETZSCH aims to enable our customers to develop the most innovative and sustainable applications for their business. It has been our tradition since 1873 to provide the highest quality standards combined with leading technology in "Analyzing & Testing," "Grinding & Dispersing" and "Pumps & Systems."

Our goal as an extremely reliable business partner and market leader is to build and retain the trust, loyalty and satisfaction of our customers through steadfast Proven Excellence.

## Our Values

We value Trust, Responsibility, Fairness, Loyalty, Professionalism and Innovation among our colleagues and towards our stake holders.

Compliance with applicable rules and regulations especially with respect to our professional conduct, product safety, product liability and guarantees is a matter of course.





## Environment

Every employee is obliged to observe the applicable environmental laws and contribute to the protection of the environment by responsible and sustained actions and behavior.

When developing new products and services and when operating production equipment, we ensure that all environmental and climate impact is kept to a minimum and that our products make a positive contribution to the efficient use of resources and environmental and climate protection for our customers.

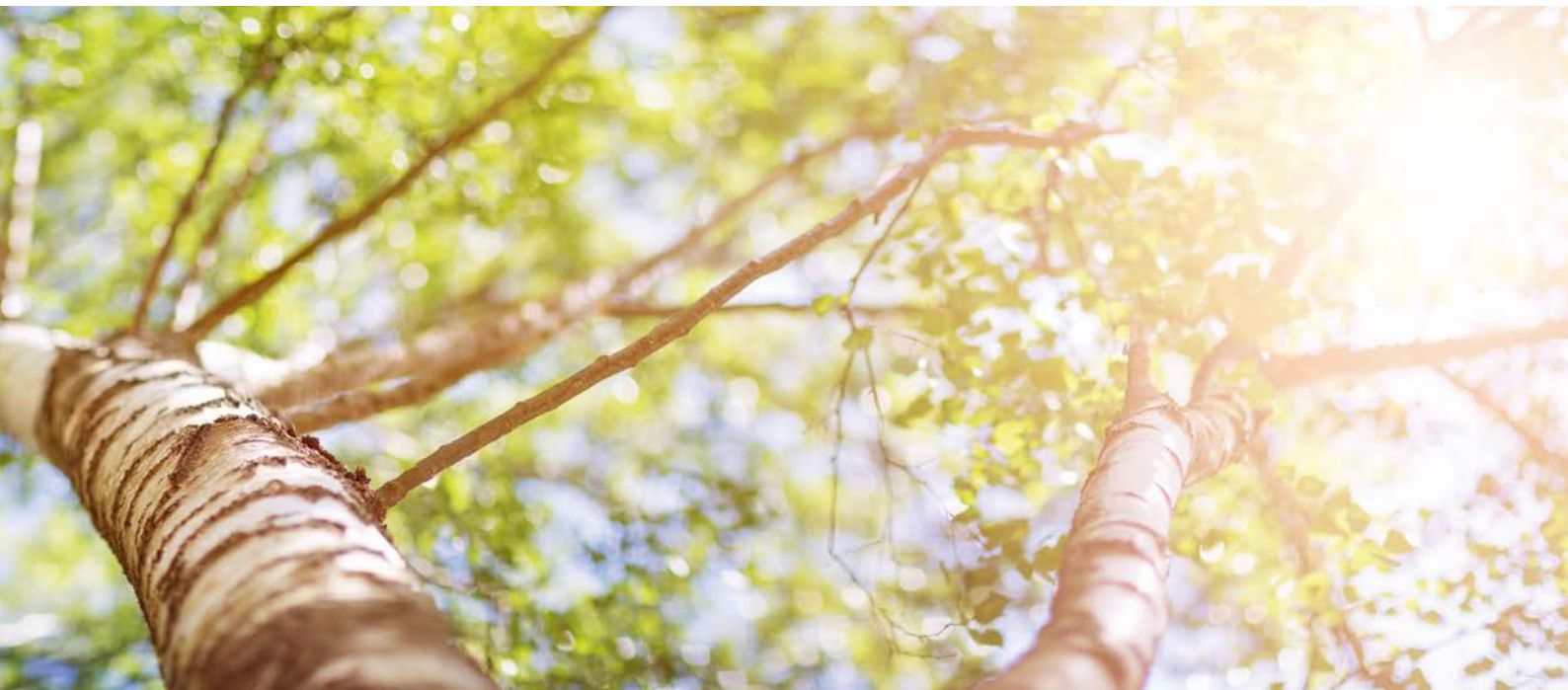
## Ecodesign

The products offered by NETZSCH are designed for many years of use. The products can be repaired and spare parts are available for decades. Our production processes are designed to minimize the consumption of resources.

## Human Rights & Workers' Rights

To the extent possible, we support all provisions of the United Nations "Global Compact."

We comply with social standards enshrined in law or human rights, such as fair wages prohibition of wage cuts as a disciplinary measure, compliance with statutory work hours and granting of at least one day off per week.



## Diversity

We aim to attract and retain individuals from different backgrounds, cultures, perspectives and experiences by creating and supporting a collaborative workplace culture. We are convinced that, through diversity, we improve our relationship with our customers and our workforce, draw on the best talent in all areas and, thus, can be more flexible.

No employee should be harassed, discriminated against or placed in a less advantageous position on the basis of race, nationality, descent, gender, religion or philosophy of life, political attitude, age, disability or sexual orientation.

Any employee who engages in any form of harassment will be subject to discipline, up to and including termination of employment.

## Work Environment

Safety and health in the workplace are the basis for successful business activities for NETZSCH. NETZSCH provides a safe and healthy work environment so that accidents and injuries as well as work-related illnesses are avoided.

## Sustainable Supply Chain Management

The purchasing departments of our major production facilities, together with their experts in the field of corporate responsibility, coordinate measures related to upholding human rights. In addition, the respective HR departments worldwide are required to comply with and provide support in this regard.

## Foreign Trade

Applicable regulations and restrictions concerning domestic and international trade, including export and import regulations of the countries concerned, must be observed. This applies, in particular, to those countries which are subject to a trade embargo. For international deliveries or orders NETZSCH must, at the initiation of each new trading relationship and again, in the future, if events arise to create reasonable suspicion, check whether the foreign partner is banned from trading due to relevant foreign trade regulations.



## Competition Law

Every employee must comply with the principles of fair and open competition. Activities that are designed to inhibit legal competition, such as “rigged bids” or collusive tendering, are strictly forbidden.

Agreements of any kind with competitors concerning prices, terms and conditions of business, market allocation and other economically sensitive issues are prohibited.

Seemingly innocent meetings with competitors in a casual or private environment must be left immediately, should such a situation arise. Participation could later be misinterpreted and used in a negative way. It is not sufficient to remain and not participate in such talks.

Cooperation with a competitor may only be considered upon confirmation of legal compatibility with the applicable antitrust regulations and upon approval of the management.

## Anti-Corruption, Gifts and Benefits

Employees are not permitted to offer or to accept personal advantages or monetary payments or other benefits when initiating, placing or processing an order or any transaction for the benefit of or with NETZSCH. This prohibition includes all payments made by any third party on behalf of NETZSCH or any of its affiliated companies. Furthermore employees are not allowed to offer or accept material gifts. In principle this is applicable worldwide. The only exception concerns occasional, non-cash promotional gifts, which are customary in the country in question and which are not granted or accepted in return for preferential treatment or circumvention of statutory provisions. However, business decisions must not be influenced by such gifts. If in doubt employees should obtain the approval of their supervisor and follow local guidelines. Material gifts and political contributions to public officials, politically-exposed individuals or their indirect interests are generally forbidden. Company-sponsored charitable contributions must conform to our respective Donation Guideline.

## Anti-Money Laundering

NETZSCH shall ensure compliance with applicable Anti-Money Laundering Laws and Sanction Lists before dealing with business partners. This also applies to the hiring of individuals and similar considerations arising in connection therewith.

In case of doubt, every employee is required to report unusual financial transactions. Especially transactions involving cash, which could raise the suspicion of money laundering, must be reported to the responsible Treasury or Group Compliance Manager for review.





## Data Protection and Security

Every employee is bound by this Code of Conduct and the respective privacy laws. We may not collect, process or use personal data of employees, customers and third parties without their consent or other legal basis. NETZSCH will provide the person concerned with appropriate notice as required by applicable law.

We are prepared to delete a person's data and to explain our processing of such data. However, the deletion must be postponed in case of prevailing statutory requirements such as a retention period for tax purposes, etc.

The relevant NETZSCH IT-Guidelines must be strictly adhered to at all times.

## Business Secrets

We protect confidential information and business documents sufficiently from access and review by unauthorized colleagues or third parties.

In principle only explicitly authorized employees are entitled to publish any confidential information and business secrets.

NETZSCH will never accept, share or use any information that may have been gathered unlawfully.

Persons outside NETZSCH or job applicants could possibly disclose someone else's confidential information to us. Such information may only be collected with proper authorization and a written agreement, approved by an authorized signatory, stating NETZSCH's obligations with respect to that information.

## Protection of Intellectual Property

Infringements of third-party intellectual property rights must be avoided.

Our Company's intellectual property represents a competitive advantage for NETZSCH and is therefore a valuable asset that we must protect against all unauthorized internal and external access.

## Protection of Company Property

We use the Company's property and resources properly and conscientiously and protect them from loss, theft and misuse.

We use the Company's tangible and intangible assets exclusively for business purposes and not for personal reasons unless expressly permitted.

## Financial Integrity

Our internal and external business records, financial records and other documents must comply with the applicable accounting principles, legal regulations and standards. Our employees properly keep such records in accordance with their tasks and area of responsibility.

## Conflict of Interest

Employees are obliged to refrain from any activities in or outside the company which cause or could cause a conflict of personal interests with the interests of NETZSCH. Business matters should never be influenced by personal interests or considerations. Employees may not use their position or the property of NETZSCH for their personal advantage or other gain.

## Compliance

Any employee of NETZSCH who fails to comply with any of the above policies will face varying levels of disciplinary action, up to and including termination of employment.

## Whistleblower System

Information about possible infringements of the law or Group policies relating to personnel and companies of the NETZSCH Group can be reported by anyone via the NETZSCH whistleblower system.

Whoever has a compliance concern should consult with their supervisor or the Group Compliance Manager (see contact below) or a member of their local Compliance Committee. The committee consists of a representative of the local NETZSCH company and an independent lawyer (Ombudsman). The respective contacts can be found on the Intranet under:

<https://intranet.netzsch.com/Compliance/SitePages/Contact%20person.aspx>

Upon request NETZSCH employees will be guaranteed anonymity to the extent it is judicially possible.

Whistleblowers need not fear negative consequences to their career or personnel development, etc. The upper-level Management and the Group Compliance Officer will take care to ensure that no disadvantages are suffered by a blameless whistleblower known by name.

Deliberate or negligent violations of the above provisions will be sanctioned accordingly and strictly, if applicable, even against a whistleblower. However, a guilty whistleblower can expect mitigated punishment.

Our partners and other stakeholders expect that we do not tolerate any statutory violation and that there are penalties should they occur.

## Applicability

This Code of Conduct is applicable to all companies and employees in the NETZSCH Group worldwide. If a provision does not comply with local law, the provision is to be replaced by a provision that comes closest to the originally intended meaning. The remaining provisions of the Code of Conduct shall not be affected.

## Contact Person

For further questions or problems relating to this Code of Conduct, all employees as well as third parties (customers, suppliers, etc.) can contact our central e-mail address:


[compliance@netsch.com](mailto:compliance@netsch.com)

All information will be treated with strict confidence.

## Further Information

Visit our Compliance Intranet Site:

<https://intranet.netsch.com/Compliance/SitePages/Preamble.aspx>



The NETZSCH Group is an owner-managed, international technology company with headquarters in Germany. The Business Units Analyzing & Testing, Grinding & Dispersing and Pumps & Systems represent customized solutions at the highest level. More than 3,700 employees in 36 countries and a worldwide sales and service network ensure customer proximity and competent service.

Our performance standards are high. We promise our customers Proven Excellence – exceptional performance in everything we do, proven time and again since 1873.

Proven Excellence.■

Erich NETZSCH GmbH & Co. Holding KG  
Gebrüder-Netzsch-Straße 19  
95100 Selb  
Germany  
Tel.: +49 9287 75-0  
Fax: +49 9287 75-208  
info@netzsch.com

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[www.netzsch.com](http://www.netzsch.com)