



SCHOTT
glass made of ideas

Code of Conduct

Dear Colleagues,

In 2010, SCHOTT introduced its Code of Conduct. It has proven itself in the meantime. Its primary elements are observation of human rights and equality of opportunity, clear positions in the fight against discrimination and corruption as well as an obligation to fair dealings with business partners and competitors.

The present revision is based on a strategy framework introduced at SCHOTT in 2014 and the values it describes. Simultaneously the subject of “avoiding conflicts of interest” is addressed in a separate chapter for better understanding, and the section on information security adapted to the current developments at SCHOTT.

We expect all employees to observe this Code of Conduct in addition to all laws and regulations as well as Group rules, to avoid conflicts of interest, protect the assets and reputation of SCHOTT in public and to observe the conventions, traditions and social values of the countries and cultural spheres, in which SCHOTT is active. Violation or circumvention of these principles is never in SCHOTT's best interest and can result in considerable harm for SCHOTT.

If you have any further questions, please do not hesitate contact your manager, the responsible Compliance Representative or the SCHOTT Compliance Office.

Mainz, November 2015

The Board of Directors

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Preamble

An important goal of the Carl Zeiss Foundation is the assumption of special social responsibility by the companies of the Foundation and their respective subsidiaries. Since the establishment of the company in 1884 and later as an enterprise of the Carl Zeiss Foundation, SCHOTT AG has been committed to let its social responsibility for mankind and the environment guide its actions and the effects of those actions.

The responsibility for its employees, the social responsibility and the perception of the natural environment, and its richness as exhaustible resources for human use are the basic principles that determine and govern the business activities of SCHOTT.

Conscious and aware of its responsibility for its employees, society at large and the environment, SCHOTT AG undertakes, on its own behalf and on behalf of its subsidiaries (herein collectively referred to as "SCHOTT"), to uphold the values and standards of ethical conduct as expressed by society, to respect in a responsible way the inalienable rights of its employees as well as the significance and importance of the environment for future generations, and to carry out all business activities in agreement and compliance with this value system.

1 Basic Conduct

1.1 Proper Conduct

It is a basic principle of SCHOTT to follow all applicable laws and regulations. All employees must comply with the laws and regulations, the SCHOTT Code of Conduct as well as the applicable Group rules within the context of their actions. Violations of the law must be avoided without exceptions. In case of a culpable conduct, the transgressing manager or employee must also expect disciplinary actions in addition to any legal sanctions if contractual obligations have been violated.

1.2 Respect, Honesty and Integrity

The personal dignity, private sphere and personal rights of each individual must be respected.

Vis-à-vis employees, suppliers, customers and business partners we make our decisions exclusively on the basis of factual and objective considerations. We will not consider any inappropriate motives, such as discrimination or compulsion.

1.3 Responsibility for SCHOTT's Reputation

The reputation of SCHOTT is essentially shaped by the behavior, the actions and the conduct of each individual employee. Illegal or inappropriate conduct by even one employee can do substantial damage to the company. All employees are therefore obligated to respect, maintain and promote the reputation of SCHOTT.

1.4 Leadership, Responsibility and Supervision

The managers are responsible for the areas and employees entrusted to them. They must make clear to them that compliance with the applicable laws and regulations, the SCHOTT Code of Conduct and all Group rules has utmost priority under all circumstances and at all times, while at the same time giving them responsibilities of their own and freedom of action. However, the responsibility of the managers does not relieve the employees of their own responsibility.

Managers must be accessible for questions as well as professional and personal concerns of their co-workers. Managers must earn the respect of their staff by their exemplary personal behavior, performance, openness and social competence. They must always emphasize the importance of ethically irreproachable conduct, promote it through personal leadership and suitable actions, and set clear, ambitious and realistic goals.

2 Interaction with Employees

2.1 Treaties and Recommendations of International Organizations

Apart from the laws and regulations of individual countries there are a number of important treaties and recommendations of international organizations which constitute important guidelines for the conduct of employees of companies doing business at the international level.

SCHOTT supports these recommendations and expects from its employees worldwide a conduct which accords in particular with the 1948 Universal Declaration of the Human Rights (UN) and the 1950 European Convention for the Protection of Human Rights and Fundamental Freedoms.

SCHOTT is committed to honoring the declaration of principles of the International Labor Organization (ILO) concerning multinational enterprises and social policy of 1977 as well as ILO's declaration on fundamental principles and rights at work of 1998: elimination of child labor, abolishment of forced labor, anti-discrimination policies, freedom of association and the right to collective bargaining.

2.2 Employee Representation

The right of employees to be represented by trade unions and other legally recognized employee organizations is recognized and respected within the framework of the applicable laws and regulations.

In enterprises with worker representatives democratically elected by the staff, the management will work openly and constructively with these representatives in compliance within the legal framework in each particular country.

2.3 Employee Development

SCHOTT's success is based to a significant extent on the know-how and the commitment of its employees. SCHOTT is therefore committed to invest in the development and qualifications of its employees and to promote talent within the limits of SCHOTT's economic resources and requirements.

2.4 Anti-Discrimination Policy

Nobody may be harassed, discriminated against, or disadvantaged because of race, skin color, nationality, descent, gender, faith or religion, sexual identity or orientation, political view, age, physical constitution or appearance.

Only the employee's ability, performance and conduct are relevant for, among other things, recruitment and promotion.

All employees are entitled to fair, polite and respectful treatment by managers and colleagues. All employees are obligated to respect the personal sphere of their co-workers. Sexual harassment and discrimination are prohibited and will have consequences under labor law.

3 Dealing with Business Partners and Third Parties

3.1 Competition and Antitrust Laws

Every employee is obligated to observe the rules of fair competition. In particular it is not permissible to make anticompetitive agreements with competitors, to set obligatory prices, coordinate offers, limit or set production quotas or to divide up customers or markets.

It is also prohibited as a matter of principle to exchange sensitive market information with competitors to facilitate insight into current or future competitive capabilities.

3.2 Corruption

SCHOTT rejects and will not tolerate corruption. For this reason SCHOTT demands that its employees refrain from any type of corrupt practices – regardless of the country in which they are active.

No employee may offer, promise, grant or approve inappropriate advantages in connection with any business activity. Nor shall any employee use his official position or influence within SCHOTT to demand, accept, guarantee or accept guarantees of personal advantages. This applies in relation to public officials as well as with regard to institutions, employees and representatives of other companies or business partners.

Invitations, gifts and other favors that exceed a symbolic value and are beyond a reasonable limit must be declined politely but firmly.

Subcontracts, orders or consultancy agreements may not be used as a means to grant undue favors to public officials, employees or business partners or their relatives and/or business associates. The compensation paid to those performing services for and on behalf of SCHOTT must be fair, proportionate to the service provided and is to be paid exclusively for legitimate services.

3.3 Business Relationships with Customers and Suppliers

SCHOTT expects from its customers and suppliers that they share the principles of this Code of Conduct, which SCHOTT has set in regard to corporate responsibility and to observe all applicable laws and regulations.

4 Conflicts of Interest

4.1 Avoiding Conflicts of Interest

Employees may not pursue any personal business activities or interests, which conflict with the legitimate interests of SCHOTT.

A conflict of interest can result when employees encounter situations, in which their personal or economic interests conflict with the interests of SCHOTT. This is particularly the case when employees maintain private (business) relationships with business partners of SCHOTT or their employees or personally participate in a company maintaining a business relationship to SCHOTT.

Every employee is obligated to reveal such current or potential conflicts of interest to his superior without solicitation and to the full extent.

4.2 Prohibition of Competition

It is prohibited for an employee to work for or manage any company in competition with SCHOTT or to pursue any activities competing with SCHOTT.

4.3 Other Occupations

Other occupations that are remunerated must be cleared beforehand with the manager of the employee involved and the competent authority at SCHOTT and require a prior written approval. Exceptions are publications, lectures and other occasional as well as all voluntary activities. However, no confidential information of SCHOTT or its business partners may be used or published in the process.

5 Handling of SCHOTT Property and Information

5.1 Official and Private Use of SCHOTT Property

SCHOTT maintains a variety of appliances, equipment and other working materials in its offices and operating facilities. Every employee is obligated to treat this SCHOTT property with care and in the intended manner. SCHOTT property may not be used for private purposes or removed from the company premises without express approval or when private use is prohibited by applicable rules and regulations or operational practice.

5.2 Information Protection

Protecting internal SCHOTT information and trade secrets is of extremely great importance for a high-tech company such as SCHOTT. Just as important is the security of confidential information of third

parties obtained by SCHOTT within the scope of business relationships with customers, suppliers and other business partners. Utmost secrecy is thus required for such information.

This obligation to secrecy also applies even after termination of the employment relationship. This refers particularly to revelation of trade secrets, regardless of when this is accomplished and whether or not SCHOTT, its employees or its customers might suffer damage.

6 Safety, Health and Environment

With the “Integrated Management System for Safety, Health and Environmental Protection (German acronym “IMSU”; in English “Environment, Health and Safety”, short “EHS”)” already implemented in October 1995 SCHOTT ensures compliance with the laws and regulations in these areas and thereby sets high standards with regard to the sustainability of its actions.

6.1 Safety and Health

The safety and health of its employees at the workplace has the highest priority for SCHOTT. This includes the maintenance and constant improvement of standards in the areas of operational safety, labor and health protection. Every field of work and its surroundings at SCHOTT must satisfy these safety standards.

Every employee bears joint responsibility at SCHOTT for creating and supporting safe working conditions. Employees are therefore obligated to pay continuous attention to on-the-job safety.

Every manager is responsible for the safety and protection of his employees according to applicable laws and regulations and is obligated to familiarize, regularly train and supervise them accordingly. He is responsible for performing suitable hazard assessments for the workplaces in his area and making provisions for occupation medical examination and treatment for his employees.

6.2 Environment

The protection of the environment and the natural resources are high-priority company goals for SCHOTT. All employees must contribute to these goals through their behavior. Based on the commitment of all employees and the respective leadership role of the management, SCHOTT wants to act in an environmentally friendly way and work constantly on improving the ecological balance. Environmentally friendly design, technical safety and protection of health are goals that are already pursued during the product development stage.

6.3 Averting External Danger

As a globally operating company SCHOTT and its employees are exposed to a multitude of external dangers (in terms of damage to assets and property and business secrets) resulting from criminal action, terrorism, sabotage and espionage as well as natural catastrophes.

With the help of the Compliance Organization as well as appropriate Group rules, SCHOTT provides the prerequisites here to effectively and enduringly protect the company and its employees. All employees are requested to contribute to safeguarding against such hazards.

7 Export Control and Customs

SCHOTT complies with all export control and customs regulations that apply in all countries where it does business. For this purpose the company has established a comprehensive electronically supported export control system and made its strict application an obligation for all.

All employees who are involved in the import or export of merchandise, services or technologies (including technical data) must comply with all applicable laws and regulations with regard to economic sanctions or export and import controls, as well as with all guidelines and processes having to do with their business activity.

8 Privacy

Personal data may only be collected, processed or used by SCHOTT, if and to the extent it is necessary for specific, clear and legal purposes. In addition, personal data is stored in a secure manner and transferred only under observance of the required precautionary measures. A high standard must be ensured for the data quality and the technical protection against unauthorized access. Use of the data is transparent for the affected person, and the latter's right to obtain information and, if necessary, to object and demand blockage or deletion must be respected.

9 Support and Concerns

If any employee of SCHOTT has occasion for complaints or doubts whether his or a third party's conduct is in compliance with applicable laws and regulations, the SCHOTT Code of Conduct or Group rules, his manager, the responsible compliance representative or the staff in the SCHOTT Compliance Office are available as contact partners.

Moreover the SCHOTT Integrity Helpline makes it possible to confidentially submit information regarding potential compliance violations to external persons of trust (so-called ombudsmen). The contact information on the ombudsmen is specified in the SCHOTTnet.

10 Scope and Implementation

The Code of Conduct applies without restriction for SCHOTT AG and its directly and indirectly held majority shareholdings (> 50% or entrepreneurial leadership). With respect to shareholdings in which the company owns 50% or fewer shares, it is the goal of SCHOTT to encourage the adoption of this guideline or regulations with similar implications.

Already existing SCHOTT rules and regulations continue to apply without limitation in addition to the Code of Conduct to the extent they do not contradict the latter.

The heads of the units at SCHOTT are responsible for implementing and executing this Code of Conduct. All SCHOTT managers worldwide are obligated to actively support comprehensive communication of the Code of Conduct.