

Code of Conduct

of the

SLM Solutions Group, Lübeck

Financial Year 2015

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Preface

Dear Colleagues,

At SLM, ethically correct conduct and compliance with the prevailing laws in conducting our everyday business have always been part of our corporate culture. Rules of conduct have been agreed for many years in collective bargaining agreements, operating instructions or verbally. At the Manager Meeting which took place at the start of the financial year these rules of conduct were emphasised again. In this SLM Code of Conduct we have now collated various corporate principles and sorted them by topic. All the principles described here are equally important and apply worldwide. Backed by these principles, we will master the challenges of our path towards growth together.

The SLM Code of Conduct serves as a guideline for you as an employee in your daily activities. Examples illustrate the content and scope of the corporate principles. We review the extent to which professional development and further training is required for our employees on an ongoing basis and act consistently on our findings.

We are convinced that you will support the successful further development of our company also by assuming responsibility for adhering to the principles under this Code of Conduct. Furthermore, it is the task of managers at all levels and in all countries to ensure that the Code of Conduct rules are observed.

If you have any suggestions or questions on the SLM Code of Conduct please feel free to contact Mr Uwe Bögershausen, our Chief Financial Officer, directly.

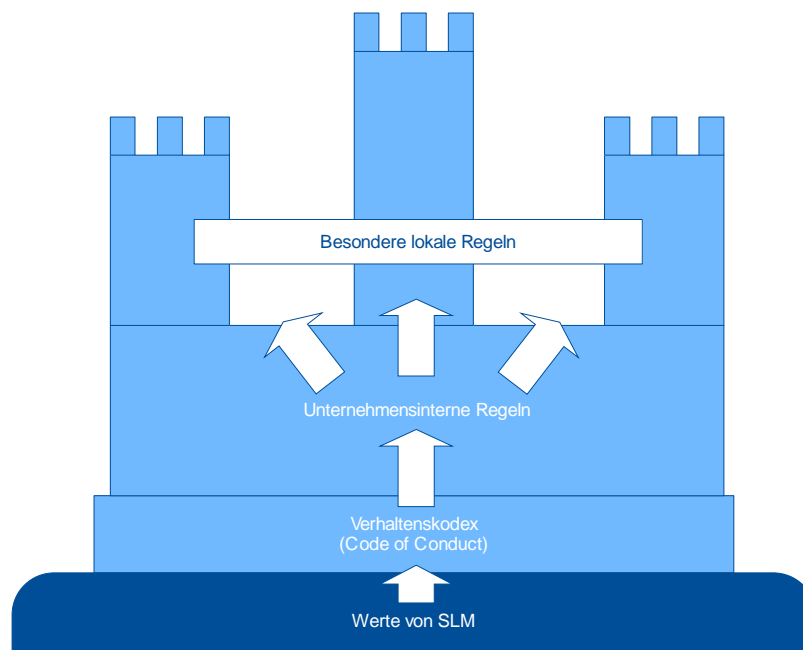
Lübeck, June 2015

Introduction

Ethical, honest and responsible conduct in compliance with the law is an integral part of our corporate culture. Complying with legal provisions is a critical to securing the long-term success of our company. We at SLM Solutions therefore commit ourselves to the fair and transparent management of our business. We put our activities on the sound footing provided by the rules and regulations and the law in all countries in which we operate.

To this end, our employees are required to conduct themselves in accordance with the law, ethically, honestly and responsibly in all areas and at all levels, as a core component of our corporate culture. As the leading supplier in metal based additive manufacturing technology, we are clearly committed to the ten principles of responsible and sustainable action, as laid down in the United Nations Global Compact¹. Similarly, we also espouse the fundamental principles of the ILO core labour standards², the recommendations of the German Corporate Governance Code³, and the OECD guidelines for multinational corporations⁴. Commitment to the fundamental principles of human rights and working conditions, to quality and environmental management, health and occupational safety, fair market conduct, and to combating corruption is binding and anchored in our corporate guidelines and in the principles of corporate responsibility.

This Code of Conduct is binding on all the employees of SLM Solutions worldwide. It defines our shared principles for conducting ourselves in compliance with the law. Commitment to these principles is a common link connecting all our employees together, across borders and cultures. It is reflected in all internal rules of conduct. Should national law in the various SLM locations define specific requirements, these are naturally also applicable; in this case, the Code of Conduct shall also apply in addition. The Code of Conduct, corporate rules and regulations and local specifics all form the framework which is designed to protect us from attacks from outside.



¹ https://www.unglobalcompact.org/Languages/german/die_zehn_prinzipien.html

² <http://www.ilo.org/berlin/arbeits-und-standards/kernarbeitsnormen/lang--de/index.htm>

³ <http://www.dcgk.de/de/kodex/aktuelle-fassung/praeambel.html>

⁴ <http://www.oecd.org/berlin/publikationen/oecd-leitsaetze-fuer-multinationale-unternehmen.htm>

In the case of affiliated companies which are not managed or controlled by SLM Solutions alone due to circumstances under company law (joint-venture companies, for instance), SLM Solutions works to ensure that the Code of Conduct is applied as a whole or that comparable rules and regulations on conduct are introduced. In its collaboration with all its business partners, especially customers and suppliers, SLM Solutions strives towards applying the principles of this Code of Conduct.

Our internal policies supplement and specify the details of this Code of Conduct in the form of specific operating instructions. It is imperative that all SLM Solutions employees read and understand the Code of Conduct. They are required to observe, actively implement and live the Code in their daily work. All of us together bear responsibility for the high regard in which SLM Solutions is held and for trust in the quality and integrity of our business activities.

The law and responsibility

All SLM Solutions employees are personally responsible for complying with the prevailing laws and internal guidelines in their specific areas of work. Complying with legal provisions and internal guidelines, as well as ensuring the integrity of the conduct resulting therefrom and its lawfulness enjoy the highest priority at SLM Solutions.

We bear responsibility for our products and for our work and for their impact, both on our employees and on the company, as well as on our business partners and the environment. Meeting this responsibility means that we must all act in accordance with the law, with integrity and with a sense of responsibility.

Our managers in particular guarantee compliance with the legal provisions, internal policies and guidelines, as well as the principles set out under this Code of Conduct in their various areas of responsibility. We expect all our employees to inform themselves of the content of these policies and guidelines and observe the law. SLM Solutions does not tolerate any violations of internal policies and guidelines or legal requirements and will prosecute infractions on these grounds, regardless of the employee's level in the hierarchy.

We also expect our business partners to observe the respective laws and generally accepted standards on social responsibility as well as our principles on behaving with integrity.

Fair conduct in a free market

All SLM Solutions employees are required to comply with the respective provisions of anti-trust and competition law. We do not permit any conduct which has the aim or effect of hindering, restricting or distorting free and fair competition.

Our position in the competitive arena accrues solely from our entrepreneurial key factors of success, in particular our innovation capability, quality, reliability and fairness. In our dealings with competitors, business partners and end customers, we therefore always conduct ourselves in accordance with anti-trust law. The following in particular are not tolerated:

- contracts, agreements or arrangements with actual or potential competitors for the purpose of fixing prices and bonuses and which restrict the number of products or services delivered or carve up markets;
- abuse of a dominant position in a certain market;
- agreements or contracts with suppliers or customers if these are designed or intended to hinder or restrict free and fair competition in breach of the prevailing laws.

Example:

As an employee with many years experience in SLM Solutions' sales force, you have got to know competitor colleagues at customer locations and at trade fairs. A competitor's head of sales approaches you and informs you that it would be advantageous for SLM Solutions and the competitor to offer products with a 5% markup as from a certain date.

You should never engage in discussions of this kind. Price fixing and intervention in the free play of market forces are punishable under the law. Fines and restrictions imposed on the companies affected are considerable, particularly in the USA and in Europe, and may in part even threaten the existence of the company. Added to this, there may be consequences under criminal and labour law for persons involved in price fixing.

Export controls

In our global activities, as well as in developing new markets, we stringently comply with the regulations governing cross-border trade and adhere to the requirements in respect of import and export controls, as well as the prevailing economic embargoes.

Business activities with countries, people or organisations where embargoes are imposed are also subject to restrictions or may be generally illegal. Infractions may incur high fines, restrictions on business activities and, in the case of natural persons, imprisonment.

Example:

A business partner approaches you and expresses a wish to export metal powder and components into a country. In view of the tight schedule, the business partner requests that the order be processed with minimum effort involved in documentation. What should you do?

UN embargoes may stipulate that, prior to shipment, an export licence must be obtained, or that the shipment is banned outright. You should therefore consult those responsible for export control at SLM Solutions, namely shipments (Mr Mario Höring) and the Management Board, before responding to your potential business partner.

Combating corruption

Corruption is prohibited through international conventions, national laws and internal guidelines. SLM Solutions does not tolerate any form of bribery from its employees and business partners, nor business practices that may give the impression of exercising undue influence.

In conducting their business, all employees of SLM Solutions are forbidden to request, accept, offer or grant advantages, either directly or indirectly, if business transactions could be influenced or give the mere impression of being influenced in an improper manner. We place emphasis on the integrity of our employees' conduct, particularly in conducting business with officials and the authorities in Germany and abroad.

Facilitation payments are never tolerated. Facilitation payments are payments made to officials not provided for under the law which serve the purpose of encouraging the official to expedite or carry out a service which is his/her duty.

In dealing with gratuities, in the form of gifts or invitations, for instance, we pay strict attention to avoiding any appearance of impropriety or incorrect behaviour. We do not tolerate any gratuities that may bring our integrity into question or influence business decisions.

Example:

You are tasked with procuring material and services at SLM Solutions. A potential supplier promises you a permanent season ticket for your favourite football club if you consider the supplier in awarding contracts in the future.

You must reject this suggestion. Bribery in industry is a criminal offence in Germany and in many other countries. Similarly, requesting a personal advantage for awarding contracts to this supplier is also not permitted.

Donations and corporate responsibility

We are aware of our responsibility to society and are committed to promoting education, culture, social and humanitarian concerns and sports by making donations. On no account may donations

involve consideration for SLM Solutions. Donations are only made if the recipient and the purpose are known. Payments to private accounts are not permitted.

No direct or indirect political donations to candidates, officials or political parties may be made in the name of SLM Solutions. SLM Solutions does not engage in political activities for a political party, but nonetheless welcomes its employees' civic, charitable and social commitment. Naturally, employees can choose to engage in political activity in their free time.

We use our sponsoring activities in order to regularly pursue the company's own goals in advertising or PR work. We take care to ensure regular and transparent procedures.

We are committed to contributing to the international efforts to combat money laundering and take suitable measures to comply with the relevant rules and regulations.

At SLM Solutions we stand for complete transparency in all business transactions, decisions and actions, which we ensure through written documentation and regular controls. Data capturing, records and reports, both internally and externally, must reflect the truth, be correct and complete. We expect our employees to apply high standards of diligence in all processes, as well as to observe the respective standards, particularly as regards conforming to the generally accepted principles of proper accounting.

Avoiding conflicts of interest

We take decisions based solely on objective considerations and in the interest of the company. We ensure that we avoid the mere appearance of considerations not relevant to the issue at hand. We presuppose that business decisions are not influenced by private or personal interests.

We expect our employees to remain objective under all circumstances and ensure that their judgement is not influenced by personal or family interests. All SLM Solutions employees must immediately report situations in which personal interests collide with the interests of SLM Solutions and take suitable measures, together with their respective managers, in order to avoid or resolve conflicts of interest.

We welcome and support the voluntary activities of our employees in associations or other institutions provided that these activities neither run counter to the interests of SLM Solutions nor adversely affect the duties covered by their employment contracts. Ancillary activities and (capital) investments in companies and not belonging to SLM Solutions or other organisations must not be detrimental to the interests of SLM Solutions. They must be disclosed in accordance with the rules and regulations on the labour law and must be approved by SLM Solutions.

Example:

You install a machine at the customer's location and suddenly have to deal with the dilemma that the preliminary work necessary has not been performed. A solution needs to be found as quickly as possible in order to avoid delays. By chance, your brother-in-law operates a business which is known for its quick and reliable work and its ability to fill the gap in at short notice.

If you engage the services of your brother-in-law, this could give the impression of your decision being influenced because he is a member of your family. You should inform your manager of the circumstances and explain why you think your choice of supplier is the right one for solving the problem. You should request that you should not be left alone with the decision but that it be approved by your manager. In doing so, you will avoid giving the impression of a conflict of interest, while ensuring that a sensible solution is found for the company.

Fair dealings with one another and social responsibility

All employees have the right to fair treatment, politeness and respect. Discrimination and harassment is not tolerated in any SLM location in the world. We respect and support internationally recognised human rights. In particular, we acknowledge our social and corporate responsibility to our membership in the United Nations Global Compact.

We place importance on an environment characterised by mutual respect, trust, tolerance and fairness between our employees and in contact with our business partners. We respect the dignity, private sphere and personal rights of each individual.

We reject any form of forced labour, as we do child labour. All work carried out for us must be performed on a voluntary basis. We are committed to the abolition of slavery, forced labour and child exploitation. The minimum employable age is observed at SLM Solutions in accordance with the law.

We do not tolerate discrimination based on colour, gender, religion, age, nationality, social and ethnic origins, disability, belief, sexual orientation or political and trade unionist activities.

These principles apply to hiring staff, for employees with a contract of employment, as well as for promoting the careers of our employees. The decisive factors depend exclusively on performance, personal aspects, abilities and suitability.

Product quality and safety.

SLM Solutions develops innovative solutions and manufactures technologically sophisticated products which guarantee safe operation. Each individual employee aspires to ensuring that our machinery meets the highest demands in respect of safety, health, stability, environmental protection and quality and, beyond this, complies with the respective legal standards. The efficient use of energy and economical consumption of materials is incorporated into SLM Solutions' research and development work and actively improved.

We are certified in accordance with ISO 9001. In individual cases, endeavours are made to obtain certifications in accordance with further and/or specific quality management systems, such as trading with medical products.

Occupational safety, health and environmental protection

We adhere to the prevailing rules and regulations and standards for a safe and healthy working environment and take suitable measures accordingly. Safety standards and practices are observed. In their tasks, our employees are required to implement the statutory regulations and internal standards on occupational safety and health measures.

We factor in the natural basis of our planet's existence and are committed to conserving resources and reducing the environmental impact. Compliance with the laws on environmental protection is a matter of course for us. This commitment to sustainable environmental protection forms the foundation of our work.

We orientate ourselves towards the prevailing laws, commit ourselves to designing environmentally compatible products, reducing the impact of our operations on the environment, improving our energy and environmental footprint on an ongoing basis, and towards establishing ourselves as a global model.

Handling information

Our innovation capability is a key success factor in international competition. The protection of intellectual property rights and know-how is therefore of crucial to SLM Solutions. We safeguard and protect the confidentiality of our information, data and business secrets.

Our employees are required to treat sensitive information and business secrets confidentially. We place emphasis on protecting sensitive information and business secrets appropriately and ensuring that they are not relayed to third parties without due authorisation. We also safeguard the business secrets of our business partners and competitors to the same extent. To this end, confidentiality agreements are regularly concluded. Obligations or agreements made on specific confidentiality are observed at all times. SLM Solutions ensures that suitable measures are taken to guarantee the protection of information requiring confidentiality at all times.

The personal data of SLM Solutions employees and business partners are collated, processed and used only in accordance with statutory provisions. In all our business processes, we guarantee the protection of personal rights, taking account of the prevailing legal requirements.

The availability and integrity of our IT systems are of fundamental importance. We safeguard personal and business data against unauthorised access, loss or manipulation with all technical and organisational means available, taking account of the prevailing national laws.

Use of company property

Company property, whether tangible or intangible, is to be used for the purpose of supporting employees in their work. Company property may only be used for legally permissible business purposes and on no account for gaining personal advantage. All employees ensure that company property is protected against loss, theft and misuse.

Know-how, patents and industrial property rights are extremely important for SLM Solutions as a technology group. Managers and employees are aware of this fact and apply special caution in handling intellectual property responsibly.

Conduct in respect of shareholders and capital market representatives, insider trading

SLM Solutions ensures that financial reporting complies with the deadlines, is based on sound foundations and is correct and transparent. Shareholders, financial analysts, lenders and creditors are informed in accordance with the principle of equality – no stakeholder group receives exclusive information. Anyone interested in SLM Solutions receives reliable information on the business activities of our company approved by the Management Board. Enquiries from representatives of the media and interested third parties are answered with care by the head of marketing, the Chief Financial Officer or mandated service providers. Approval from the Chief Financial Officer must be obtained for information released in all cases.

All employees comply with statutory provisions on combating insider trading. Insider information is all information not in the public domain and which would be deemed critical by investors in their investment decisions. This kind of insider information must be handled in the strictest confidence and must not be passed on to third parties. Using insider information to purchase or sell securities, or to recommend purchasing or selling them, is prohibited.

Example:

A good friend tells you that he intends to sell his SLM Solutions shares in order to buy his wife an expensive present from the proceeds. You know that SLM Solutions will be releasing information on a larger contract in a few days, and that it can be assumed that these circumstances will have a positive effect on the share price. As a good friend, you would like to say: "Wait a few days to sell and then you will be able to buy yourself something nice as well!"

This is insider knowledge which you may not use yourself. You are not permitted to impart insider information to a third party either. Violations of the provisions of the German Securities Trading Act are punishable under the law. In the example above, your friend would also be committing a criminal offence, and SLM Solutions would also be affected by this conduct.

Implementation and monitoring

These rules on conduct are an integral part of our corporate culture. Adhering to these principles on groupwide basis is indispensable – each and every employee is responsible for this. Managers in their capacity as role models bear special responsibility for informing the employees about the content of this Code of Conduct. The implementation and monitoring of compliance with these principles is directly incumbent on the senior management of SLM Solutions. In the event of violations of the aforementioned rules and principles, any employee has the option of applying to senior management directly and exposing wrongdoing. Sanctions against employee disclosures of this kind are not permitted and will not be taken in these cases, regardless of the nature of the infractions reported. Issues, concerns and questions relating to the Code of Conduct are taken seriously and treated confidentially and swiftly.