

# **Environmental Tectonics Corporation Company Code of Conduct**

## **STATEMENT OF PRINCIPLES**

ETC is committed to quality, innovation and above all integrity. Integrity is at the heart of everything we do. We are honest, ethical and upfront because trust is at the foundation of our relationships with our customers, our stakeholders, and each other.

All stakeholders of ETC – directors, officers, employees, subsidiaries and affiliates – are to follow high standards of ethical conduct and business practices. This means all ETC people throughout the world shall commit to the following principles:

- Strict adherence to the law
- Honesty in personal and business dealings
- Fairness and respect to all
- Personal responsibility as an employee and as a citizen
- Exercise of good judgment in business dealings and operational decisions

On rare occasions, these principles may mean loss of business. However, the Company's principles of integrity and trust are not available for compromise.

ETC's Code of Conduct is the foundation for creating customer-focused quality. The pursuit of quality is the driving force of our Company.

Violations of the Code of Conduct at any level are not tolerated and may result in disciplinary or other legal action. Employees have a duty to report any suspected violations of the Code and can do so without fear of retribution. Reports may be made in person or anonymously, by email or telephone, to the Ethics Advisor or to the Chairman of the Audit Committee of the Board of Directors. To make a report, please refer to ETC's Whistleblower Policy at <http://www.etcusa.com/corp/policies/whistle.pdf>.

## **ETC's Products**

ETC's products are an extension of the Company itself. In all aspects of design, manufacture, sale and support the Company provides the highest level of quality and innovation. ETC is committed to safe products meeting or exceeding performance, durability and reliability needs of our customers. As part of our dedication to environmental stewardship, our products meet or surpass applicable environmental standards.

## **Terms of Commercial Transactions**

ETC competes commercially throughout the world within all regulatory and legal requirements. At all times ETC employees practice the high standards of business ethics, never permitting the reputation or legal standing of the Company to be jeopardized or questioned.

## **ETC's Competitors**

ETC competes fairly and vigorously with companies who provide similar products and services. Employees shall not disparage competitors or their products. In addition, employees shall not fraternize with the competitors as such conduct may give the appearance of collusion or unfair trading practices.

ETC respects confidential information about its competitors and does not solicit or accept confidential or proprietary competitor data. Employees who inadvertently receive any confidential information or become aware of an offer of such information should immediately contact the Legal Department.

## **Supplier Selection/Conflicts of Interest**

All ETC's employees use non-discriminatory practices throughout the supplier and vendor selection process. Every employee avoids any situation in which personal or family interests may conflict with the interests of the Company. Any employee with a financial interest in an actual or potential supplier or customer must disclose that interest to management.

## **Receipt and Giving of Gifts**

In general, employees should neither accept nor offer gifts to customers or suppliers unless the gifts are designated as part of a recognized business event. Gifts exceeding US \$50 in value may be given or accepted only with the concurrence of an employee's supervisor. All gifts (except minor promotional token items) not approved by the employee's supervisor must be turned in to the Human Resources Department for further disposition.

## **Antitrust and Competition Laws**

Employees comply with the antitrust laws of the United States and similar laws of other countries in which the Company does business. These laws may cover agreements among competitors, agreements with sales agents/representatives, price discrimination, and other acts that may unfairly reduce competition.

## **Government Contracts**

Because ETC is a supplier to federal, state and local governments in the U.S. and around the world, ETC employees are expected to comply with all laws and regulations relating to government contracting and to cooperate fully with authorized government representatives who request information in connection with such contracts.

## **Import/Export Controls, Boycotts and Bribes**

ETC transacts business internationally. Each ETC employee involved with the sale or shipment of products across international borders is expected to know and comply with applicable import/export control laws and regulations of the U.S. Government. Questions in this regard should be directed to ETC's Export Administrator.

U.S. anti-boycott regulations prohibit any agreement by a U.S. company to comply with certain boycott activities of foreign countries. In this connection, ETC may be required to report boycott requests to relevant government authorities. In addition, the U.S. Foreign Corrupt Practices Act (FCPA) prohibits the offering of bribes to foreign customers or government agents for the purpose of obtaining business or receiving special treatment. Any questions regarding boycott activities or the FCPA should be directed to ETC's Legal Department.

## **Equal Employment Opportunity/Diversity**

ETC is an equal opportunity employer. We make employment decisions without regard to race, color, religion, sex, age, national origin, disability or any other protected characteristic. The Company's recruitment, hiring, transfer, promotion and compensation policies are non-discriminatory. We believe that our diversity makes ETC stronger and is essential to our operating as a world-class competitor.

## **Treatment of Others in Work Situations**

We know it is critical that we respect everyone at every level of our business. We champion diversity, embrace individuality, and listen carefully when others speak. Harassment of any type in the workplace is not tolerated.

## **Safe Working Environment**

ETC is devoted to maintaining a workplace free from hazards which could cause physical harm to anyone. Prevention of occupationally related injuries and illnesses is the responsibility of every ETC employee. All employees are expected to report unsafe or hazardous working conditions immediately to their supervisors.

## **Drug, Alcohol and Smoking Policy**

The possession, sale, use or being under the influence of illegal drugs (including prescription drugs, except in strict adherence to the prescription) or alcohol while on Company property, or during work hours, is prohibited. Likewise, use of tobacco products within ETC's facilities or property is prohibited.

## **Shareholder Value**

We hold ourselves to a very high standard of performance. We value innovative ideas and the teamwork it takes to make them realities. We never stop asking ourselves how we can make the customer experience better.

ETC is committed to providing a sustainable long-term financial return to our shareholders and to protecting and improving the value of their investment by observing high standards of legal and ethical conduct in all Company business dealings.

## **Securities Law Compliance**

All employees are bound by the Company's Insider Trading Policy. See <http://www.etcusa.com/corp/policies/trading.pdf>.

All employees are bound by the Company's Whistle Blower Policy. See <http://www.etcusa.com/corp/policies/whistle.pdf>.

## **Responsible Citizenship**

ETC is a responsible corporate citizen committed to improving the communities in which we operate. ETC entities actively support initiatives designed to improve the communities in which they reside. ETC encourages employees to take part in community activities. In doing so, employees act only on behalf of themselves and not as representatives of the Company unless authorized to do so by management.

## **Environmental Compliance**

ETC manages its business in ways protective of the environment and conservation of energy and natural resources. In addition to complying with applicable environmental laws and regulations, ETC recognizes excellence in environmental management as being among the highest corporate priority.

## **Computer Equipment/Copyrights**

Company computer hardware, software and data may be used only by authorized personnel and for only Company business. Third party copyright restrictions are to be respected and unauthorized copying is prohibited.

## **Other Company Property**

Company property, equipment and facilities are not used for anything other than Company business without prior permission of the employee's supervisor.

## **Confidential and Proprietary Information**

Consistent with the ETC Employee Agreement, which is executed at the time of hire, no employee discloses confidential or proprietary information to anyone other than those within the Company who have a "need to know." Employees are to use every effort to protect and safeguard such information. Similarly, ETC employees respect confidentiality obligations stemming from their former employers.

## **Political Activities**

Personal participation in political activities is separate from corporate activities. The Company's name, trademarks and other property, i.e., stationery, business cards, etc., and work time are not to be used in connection with such activities. Political campaigning on Company property is prohibited.