



# Code of Ethics

of

Micromet, Inc.



## Foreword from the President and Chief Executive Officer

To all Micromet Associates:

Micromet recognizes that its reputation for maintaining the highest standards of ethical conduct is essential to successfully achieve its corporate mission of developing innovative new products for the treatment and control of disease. The patients, caregivers, healthcare professionals, stockholders, and other stakeholders who rely on our Company's success deserve nothing less.

Because the ethical reputation of Micromet is the sum of the reputation of each of our employees and members of our Board of Directors, each is expected to remain free from influences that could impair, or appear to impair, the impartial and objective performance of his or her responsibilities. All of you are expected to abide by both the letter and the spirit of this Code of Ethics, as well as all laws and regulations that apply to Micromet's activities, and to act in a manner such that the full disclosure of all facts related to their activities will always reflect favorably upon the company.

The Code of Ethics is not an attempt to prescribe specific conduct for every conceivable business interaction, nor has it been adopted out of any doubt about the sincere desire of Micromet employees and directors to comply with these requirements. Rather, we believe that the complexity of our business – and the fact that ethical conduct isn't always subject to precise definition – argue strongly in favor of providing you with guidance in this area. If you are faced with a difficult business decision that is not addressed in this Code of Ethics, you should ask yourself the following questions:

- Is it legal?
- Is it honest and fair?
- Is it in the best interests of Micromet?
- How does it make me feel about myself and Micromet?
- Would I feel comfortable if an account of my actions were published with my name in the newspaper?

If you still feel uncomfortable about a situation or have any doubts whether it is consistent with our high ethical standards, please discuss it with the Compliance Officer of Micromet. You may also submit concerns regarding questionable accounting or auditing matters or violations of this Code of Ethics directly to the Chair of Micromet's Audit Committee, anonymously and in confidence. Micromet has established a website at [www.ethicspoint.com](http://www.ethicspoint.com), which is managed by EthicsPoint, through which concerns can be reported anonymously, or you can call our EthicsPoint toll-free hotline from inside the U.S. at 888-315-3934 or from Germany at 0800-1016582.

No document issued by Micromet is more important than this one. I ask that you read this document thoroughly and that you give this Code of Ethics your strong support.

/s/ Christian Itin

Christian Itin  
President and Chief Executive Officer

## Code of Ethics

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# Code of Ethics

This Code of Ethics (the "Code") has been adopted by the Board of Directors (the "Board") of Micromet, Inc. (the "Company") on June 22, 2010 and supersedes the Code previously adopted by the Board.

## 1. Definitions

**"Associate"** includes any full time, part time or temporary employee of the Company, including Officers of the Company.

**"Business Associate"** means any supplier of services or materials, customer, consultant, professional advisor, lessor of space or goods, tenant, licensor, licensee or partner of the Company.

**"Company"** or **"Micromet"** means Micromet, Inc. and each of its subsidiaries and affiliated business entities, including but not limited to Micromet AG.

**"Compliance Officer"** means the Company's General Counsel.

**"Family Member"** means, as to a specific Insider: (i) his or her spouse (or life partner), siblings, parents (natural or adoptive), in-laws, children and any relative (by blood or marriage) residing in the same household as the Insider ("Immediate Family Member"); and (ii) any company, partnership, limited liability company, trust or other entity that is directly or indirectly controlled by that Insider or by any Immediate Family Member of that Insider.

**"Insider"** means any Director or Associate of the Company.

## 2. Introduction

- 2.1. The Code provides guidance to all Associates of Micromet, Inc. in the performance of their duties. It also applies, in many respects, to the members of the Board. This Code should be read in conjunction with the Company's other policies that govern the conduct of our Associates.
- 2.2. The basic principle is that the Company's business should be carried on with loyalty to the interests of our stockholders, customers, suppliers, fellow Associates, strategic partners and other business associates. In furtherance of this principle, no Insider shall: (a) employ any device, scheme or artifice to defraud the Company or any of the Company's business associates; or (b) engage in any act, practice or course of conduct which operates or would operate as a fraud or deceit upon the Company or any of its business associates.

## 3. Conflicts of Interest

- 3.1. Insiders shall maintain a high degree of integrity in the conduct of the Company's business and maintain independent judgment. Each Insider must avoid any activity or personal interest that creates, or reasonably appears to create, a conflict between his/her interests and the interests of the Company. A conflict of interest arises any time such a person has a duty or interest that may conflict with the proper and impartial fulfillment of such person's duties, responsibilities or obligations to the Company. Conflicts of interest may include, for example, a person:
  - Making an investment that may affect his/her business decisions;

- Owning a meaningful financial interest in, or being employed by, an organization that competes with or whose interests could reasonably be expected to conflict with those of the Company;
  - Owning a meaningful financial interest in, or being employed by, an organization that does, or seeks to do, business with the Company;
  - Making a decision on a matter where such person's self-interests may reasonably call into question the appropriateness of the decision; or
  - Being employed by or accepting compensation from any other person as a result of business activity or prospective business activity affecting the Company.
- 3.2.** An Associate that becomes aware of a personal interest that is, or may be viewed as, in conflict with the interests of the Company should promptly present the situation and the nature of the possible conflict to the Compliance Officer for appropriate consideration. A Director of the Company who becomes aware of a conflict of interest should bring the matter to the attention of the Board. The Insider shall refrain from further action until written consent to the situation has been received from the Compliance Officer or the Board, as the case may be.
- 3.3.** No Insider or Family Member shall personally benefit, directly or indirectly, from any Company purchase or sale, or derive any other personal gain from any other Company activity, except where the transaction has been fully disclosed to the Company and approved in writing as provided in Section 3.2 above.
- 3.4.** No Insider or Family Member shall have any meaningful personal business or financial interest in any Business Associate or competitor of the Company without proper consent as provided in Section 2(b), above. For these purposes, holding 5% or less of the shares of a Business Associate or competitor whose shares are publicly traded shall not be deemed "meaningful."
- 3.5.** No Insider shall hold any position with (including as a member of the board of directors or other governing body) or perform services for a Business Associate or a competitor of the Company without proper consent as provided in Section 2(b), above.
- 3.6.** No Insider shall provide any services to other business enterprises or non-profit entities that reasonably could be deemed to adversely affect the proper performance of his or her work for the Company or that might jeopardize the interests of the Company, including serving as a director, officer, trustee, consultant or advisor of another business or non-profit entity.
- 3.7.** No Insider shall direct, or seek to direct, any Company business to any business enterprise in which the Insider or his or her Family Member has a meaningful ownership position or serves in a leadership capacity.
- 3.8.** No Insider shall seek or accept for his or her self or for any Family Member any favors, preferential treatment, special benefits, gifts, loans or other consideration as a result of such Insider's association with a Business Associate or with the Company, except those customary and usual benefits directly provided by a Business Associate or the Company. The giving and receiving of gifts are subject to a variety of laws, rules and regulations applicable to the Company's operations. These include, without limitation, laws covering the marketing of pharmaceutical products and bribery and kickbacks. All Insiders are expected to understand and comply with all laws, rules and regulations that apply to their job positions. Before any Insider accepts or gives any gift or provides or receives any entertainment in connection with his or her services to the Company, he or she should seek advice from the Compliance Officer.

#### **4. Corporate Opportunities and Transactions with Business Associates**

- 4.1.** Insiders and their Family Members must not profit, directly or indirectly, due to their position in the Company to the detriment, or at the expense, of the Company or any of its Business Associates. No Insider shall take for his or her own advantage any business opportunity for profit, which he or she learns about as a result of his or her position with the Company.
- 4.2.** No Insider or Family Member shall sell to, or purchase from, any Business Associate any goods or services except in the ordinary course of the Business Associate's business. No Insider or Family Member shall borrow money or other property from a person known by the Insider to be a Business Associate, unless that Business Associate is regularly engaged in the business of lending money or such other property, and the loan and the terms thereof are in the ordinary course of the Business Associate's business.
- 4.3.** Insiders shall ensure that any agreement between them and the Company to provide consulting services to the Company is approved in advance by (i) the Company's Chief Executive Officer or Chief Financial Officer; and (ii) Compliance Officer.

#### **5. Inside Information**

- 5.1.** Securities laws and regulations prohibit the misuse of material non-public ("inside") information when purchasing, selling or recommending securities. Information obtained by any Insider with respect to any Business Associate must be kept strictly confidential.
- 5.2.** Consistent with the Company's Insider Trading Compliance Program that has been separately provided to all Insiders, Insiders are prohibited from purchasing, selling or recommending the stock or other securities of the Company while in possession of "inside" information about the Company. Insiders should contact the Compliance Officer for a copy of the Insider Trading Compliance Program or with any questions they may have about insider trading laws. Similarly, Insiders shall not buy or sell securities of any Business Associate when in possession of material, nonpublic information of such Business Associate or pass such information on to someone who may buy or sell such securities.
- 5.3.** Information is generally considered "material" if (a) there is a substantial likelihood that a reasonable investor would find the information important in determining whether or not to trade in a security, or (b) the information, if made public, would likely affect the market price of the company's securities. Inside information typically includes, but is not limited to, knowledge of pending business transactions, corporate finance activity, results of clinical trials, product and/or clinical trial approvals by government regulatory agencies, mergers or acquisitions, unannounced earnings and financial results and other significant developments.
- 5.4.** Information is generally considered "nonpublic" unless it has been adequately disclosed to the public, which means that the information must be publicly disclosed and adequate time must have passed for the securities markets to absorb the information. If an Insider leaves the Company, he or she must maintain the confidentiality of all inside information with respect to the Company and all Business Associates of the Company until such information has been adequately disclosed to the public. If there is any question as to whether information regarding the Company or any Business Associate is material or has been adequately disclosed to the public, the Compliance Officer must be contacted.

## **6. Competition and Fair Dealing**

### **6.1. General**

All Associates should endeavor to deal fairly with fellow Associates, the Company's Business Associates and competitors. No Associate should take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

### **6.2. Customers**

Information provided to Business Associates, investors, customers and the public should be current, accurate and complete to the best of the Company's knowledge. Customer entertainment should never exceed reasonable and customary business practice, nor should Associates provide entertainment or other benefits that could be viewed as an inducement to or a reward for customer purchase decisions.

### **6.3. Suppliers**

Relationships with suppliers should be based upon price, quality, service and reputation. No Associate should accept or solicit any personal benefit from a supplier or potential supplier that might compromise or appear to compromise their objective assessment of the supplier's products and prices. Associates may accept promotional items of nominal value or moderately scaled entertainment within the limits of reasonable and customary business practice.

### **6.4. Competitors**

Associates must avoid all actions that could reasonably be construed as being anti-competitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including federal and state antitrust laws. This includes misappropriation and/or misuse of a competitor's confidential information, tampering with a competitor's products, or making false statements about the competitor's business or business practices.

## **7. Confidentiality**

**7.1.** No Insider or Family Member shall discuss with, or inform others about, any actual or contemplated business transaction by the Company or any Business Associate except as required in the performance of the Insider's employment duties and then only for the benefit of the Company or the Business Associate, as appropriate, and in no event for personal gain or for the benefit of any other third party.

**7.2.** No Insider or Family Member shall give any information to any third party about any pending or proposed business transaction of the Company or its Business Associates unless expressly authorized to do so by the Company's Chief Executive Officer or Compliance Officer.

**7.3.** Other than those persons explicitly authorized to do so in accordance with the Micromet Policy Statement Guidelines for Corporate Disclosure, no Insider or Family Member may discuss the Company or its Business Associates with any member of the press or media except with the prior authorization of the Compliance Officer. Insiders shall refer all press inquiries to the Company's Chief Financial Officer.

## **8. Company Books and Records**

- 8.1.** Insiders must ensure that all Company documents are completed accurately, truthfully, and in a timely manner. The making of false or misleading entries, records or documentation with respect to any of the Company's operations is strictly prohibited and will not be tolerated. If errors, or possible errors or misstatements in the Company's books and records are discovered by an Insider, they must be brought to the attention of the Compliance Officer immediately. The Compliance Officer shall promptly inform the Chief Executive Officer, the Chief Financial Officer, the Chair of the Board, and the Chair Audit Committee of the Board, of any such error or misstatements.
- 8.2.** Financial activities and transactions must be recorded in compliance with all applicable laws and accounting practices and in accordance with the generally accepted accounting principles designated by the Company.
- 8.3.** Insiders may never create a false or misleading report under the Company's name. In addition, no payments or established accounts shall be used for any purpose other than as described in the supporting documentation. No undisclosed or unrecorded funds, payments, receipts or assets may be established.
- 8.4.** No Insider may take any action to defraud, influence, coerce, manipulate or mislead any other Associate or Director, or any outside auditor or lawyer for the Company for the purpose of rendering the books, records or financial statements of the Company incorrect or misleading.
- 8.5.** All Associates are expected to cooperate fully with the Company's Disclosure Committee and outside auditors. No Associate shall impede or interfere with the audit process of the Company's financial statements.

## **9. Accuracy of Financial Reports and Other Public Communications**

- 9.1.** As a public company, the Company is subject to various securities laws, regulations and reporting obligations. Applicable laws and the Company's policies require the disclosure of accurate and complete information regarding the Company's business, financial condition and results of operations. Inaccurate, incomplete or untimely reporting will not be tolerated and can severely damage the Company and result in legal liability.
- 9.2.** The Company's Chief Financial Officer and other Associates working in the Finance Department have a special responsibility to ensure that all of the Company's financial disclosures are full, fair, accurate, timely and understandable. These Associates must understand and strictly comply with generally accepted accounting principles and all applicable standards, laws and regulations for accounting and financial reporting of transactions, estimates and forecasts.

## **10. Safeguarding Company Assets**

- 10.1.** Insiders have a duty to safeguard Company assets, including its physical premises and equipment, records, customer information and Company trademarks, trade secrets, and other intellectual property.
- 10.2.** Company assets shall be used for Company business only. Without specific authorization from the Chief Financial Officer or Compliance Officer, no Insider or Family Member may take, loan, sell, damage or dispose of Company property or use, or allow others to use, Company property for any non-Company purposes.

- 10.3.** Insiders are responsible and accountable for the integrity and protection of the Company's confidential information and trade secrets and for ensuring that confidential information or trade secrets are not improperly disclosed to outside parties. Associates are required to honor their obligations under the "Employee Invention Disclosure and Confidentiality Agreement" with the Company, even after leaving the Company. After joining the Company, all Insiders must honor their obligations not to disclose the confidential information or trade secrets of their former employers. If it becomes necessary to reveal confidential information or trade secrets to persons outside the Company, Insiders must ensure that a Confidential Disclosure Agreement prepared by the Company's legal department is executed by both parties before the disclosure is made.

## **11. Document Retention**

- 11.1.** The Company seeks to comply fully with all laws and regulations relating to the retention and preservation of records. All Insiders shall comply fully with any policies regarding the retention and preservation of records that are adopted by the Company from time to time. Under no circumstances may Company records be destroyed selectively or maintained outside Company premises or designated storage facilities. If there are any questions regarding the destruction of Company documents, prior approval should be obtained from the Compliance Officer before any such destruction occurs.
- 11.2.** If the existence of a subpoena or impending government investigation becomes known to an Insider, he or she must immediately contact the Compliance Officer. Insiders must retain all records and documents that may be responsive to a subpoena or pertain to an investigation. Any questions regarding whether a record or document pertains to an investigation or may be responsive to a subpoena should be directed to the Compliance Officer before the record or document is disposed of. Insiders shall strictly adhere to the directions of the Compliance Officer in handling such records or documents.

## **12. Compliance with Applicable Laws and Regulations**

The Company will not tolerate any activity that violates any laws, rules or regulations applicable to the Company. This includes, without limitation, laws covering commercial bribery and kickbacks, the development, testing, approval, manufacture, marketing and sale of the Company's products and product candidates, copyrights, trademarks and trade secrets, information privacy, insider trading, illegal political contributions, antitrust prohibitions, foreign corrupt practices, offering or receiving gratuities, environmental hazards, employment discrimination or harassment, occupational health and safety, false or misleading financial information or misuse of corporate assets. Associates are expected to understand and comply with all laws, rules and regulations that apply to their position in the Company. If any doubt exists about whether a course of action is lawful, Associates should seek advice immediately from the Company's Legal Department.

## **13. The Food, Drug and Cosmetic Act and Interactions with the Food and Drug Administration**

The Company's products, product candidates and its operations are subject to extensive and rigorous regulation by the U.S. Food and Drug Administration ("FDA") as well as the European Medicines Agency ("EMA") and other non-U.S. regulatory authorities. These regulatory bodies regulate many areas of the Company's operations, including the research, preclinical and clinical testing, and development of

the Company's products; the submission of data and other information to support marketing approval; the manufacturing, testing, storage and labeling of the Company's products; and the promotion, distribution, and sale of the Company's products; and the reporting of adverse events and other information. The FDA, EMA and comparable foreign regulatory bodies also regulate the export of drug products manufactured to international markets. Violation of these laws and regulations can result in severe civil and criminal penalties, adverse publicity for the Company, total or partial suspension of production of a Company product, withdrawal of a Company product from the market, and disciplinary action by the Company against the responsible individuals, up to and including termination of employment.

## **14. Interactions with Government Entities**

**14.1.** The Company is committed to conducting its business with all government entities and their representatives with the highest standards of business ethics and in compliance with all applicable laws and regulations, including the special requirements that apply to government contracts and government transactions. In interactions with the government, Associates should:

- Be forthright and candid at all times. No Associate should ever misstate or omit any material information from any written or oral communication with the government.
- Exercise extreme care in maintaining records for and allocating costs to government contracts. Costs incurred on one government project must never be charged against another government project.
- Never offer or exchange any gifts, gratuities or favors with, or pay for meals, entertainment, travel or other similar expenses for, government employees.
- Ensure that all required written submissions are made to the government and are timely, and that all written submissions, whether voluntary or required, satisfy applicable laws and regulations.

**14.2.** If an Associate's job responsibilities include interacting with the government, the Associate is expected to understand and comply with the special laws, rules and regulations that apply to his or her job position as well as with any applicable standard operating procedures that the Company has implemented. If any doubt exists about whether a course of action is lawful, an Associate should seek advice immediately from the Compliance Officer.

**14.3.** Associates with responsibilities in the areas governed by the FFDCA, the FDA and comparable regulatory bodies of other countries and regulatory jurisdictions are required to understand and comply with these laws and regulations. These Associates are expected to have an understanding of the laws, regulations and other relevant standards applicable to their job positions, and to comply with those requirements. The Company has developed standard operating procedures and provides regular training to aid employees in understanding and complying with the requirements of the FFDCA and the FDA. If any doubt exists regarding whether an Associate's job position or a particular course of action is governed by these laws and regulations, the Associate should seek advice immediately from the Compliance Officer.

## **15. Political Participation**

**15.1.** The Company encourages its Associates to participate in the political process as individuals and on their own time. However, federal and state contribution and lobbying laws severely limit the contributions the Company can make to political parties or candidates. It is Company policy that Company funds or assets shall not be used to make a political contribution to any political party or candidate, provided,

however, that the Company may from time-to-time host political officials in the Company's offices and incur the ancillary expenses associated with such visits. Any such visits must be pre-approved by the Company's Chief Executive Officer.

**15.2.** The following guidelines are intended to ensure that political activities by Associates comply with this policy:

- (a) Associates will not be engaged in political activities during their work time and no resources of the Company may be used for political activities.
- (b) Insiders who participate in political affairs, must make it clear that their views and actions are their own, and are not made on behalf of the Company. For instance, Company letterhead should not be used to send out personal letters in connection with political activities.

## **16. Compliance with Antitrust Laws**

Antitrust laws of the U.S., European Union, and other countries are designed to protect consumers and competitors against unfair business practices and to promote and preserve competition. The Company's policy is to compete vigorously and ethically while complying with all antitrust, monopoly, competition or cartel laws in all countries, states or localities in which the Company conducts business. Insiders should consult with the Compliance Officer with any questions they may have concerning compliance with these laws.

## **17. Public Communications and Regulation FD**

The Company has adopted a separate Policy Statement – Guidelines for Corporate Disclosure to maintain the Company's credibility and reputation in the community, to maintain the confidentiality of competitive and proprietary information and to prevent selective disclosure of market-sensitive financial data. Insiders should contact the Compliance Officer for a copy of the Policy Statement – Guidelines for Corporate Disclosure or with any questions they may have about disclosure matters.

## **18. The Foreign Corrupt Practices Act**

**18.1.** The U.S. Foreign Corrupt Practices Act (the "FCPA") and corresponding statutes in Germany and other countries where the Company operates (collectively, "Anti-Corruption Laws") prohibit the Company and its Insiders from offering or giving money or any other item of value to win or retain business or to influence any act or decision of any governmental official, political party, candidate for political office or official of a public international organization. Stated more concisely, Anti-Corruption Laws prohibit the payment of bribes, kickbacks or other inducements to foreign officials. This prohibition also extends to payments to a sales representative or agent if there is reason to believe that the payment will be used indirectly for a prohibited payment to foreign officials. Violation of the FCPA and other Anti-Corruption Laws is a crime that can result in severe fines and criminal penalties, as well as disciplinary action by the Company, up to and including termination of employment.

**18.2.** Certain small facilitation payments to foreign officials may be permissible under Anti-Corruption Laws if customary in the country or locality and intended to secure routine governmental action. Governmental action is "routine" if it is ordinarily and commonly performed by a foreign official and does not involve the exercise of discretion. For instance, "routine" functions would include setting up a telephone line or expediting a shipment through customs. To ensure legal compliance, all facilitation payments must

receive prior written approval from the Compliance Officer and must be clearly and accurately reported as a business expense.

## **19. Compliance with Internal Controls**

- 19.1.** The Company has adopted a system of internal controls that must be strictly adhered to by all Insiders in providing financial and business transaction information to the Company. The internal controls are the backbone of the integrity of the Company's financial records and financial statements.
- 19.2.** Each Insider shall promptly report to the Compliance Officer any actual or suspected breaches or violations of the Company's internal controls that come to the attention of the Insider. Each Insider shall be candid in discussing matters concerning internal controls with the Company's management, Audit Committee, internal and outside auditors, outside counsel and directors.
- 19.3.** Each Insider shall promptly report to the Compliance Officer any actual or suspected fraudulent or questionable transactions or occurrences that come to the attention of the Insider. Potentially fraudulent transactions include, without limitation, embezzlement, forgery or alteration of checks and other documents, misuse of Company credit cards, computer systems or internet access, theft, misappropriation or conversion to personal use of Company assets, and falsification of records.
- 19.4.** Each Insider is encouraged to bring to the attention of the Compliance Officer any changes that the Insider believes may improve the Company's system of internal controls.

## **20. Policy Against Financial Improprieties**

Fraud, theft, embezzlement and similar or other improprieties and infractions against the property and financial interests of the Company or its subsidiaries (collectively, "Financial Improprieties") are not tolerated by Micromet. All Associates are obliged to report any suspected or actual Financial Improprieties. The Company has established the procedures set forth in Section 24 below for the reporting and investigation of detected or suspected Financial Improprieties.

## **21. Compliance with Disclosure Controls**

- 21.1.** The Company has adopted a system of disclosure controls to assure that all important information regarding the business and prospects of the Company is brought to the attention of the Chief Executive Officer and the Chief Financial Officer of the Company. The accuracy and timeliness of compliance is critical and necessary to enable those officers to provide the financial statement and periodic reports required by agreements between the Company and its stockholders, and as required by applicable law.
- 21.2.** Each Insider shall strictly adhere to the system of disclosure controls, including the internal reporting responsibilities assigned to him or her by the Company.
- 21.3.** Each Insider shall promptly report in accordance with Company policy any significant event or occurrence (whether positive or negative) that arises in the course of the Insider's duties and responsibilities that the Insider believes should be evaluated by the Company with respect to its financial statements and periodic reports. Events or occurrences include those that affect or may affect the Company or its Business Associates, competitors or industry. Each Insider shall be candid in discussing matters concerning business disclosure controls with the Compliance Officer, the Company's

management, Disclosure Committee, Audit Committee and outside auditors, outside counsel and members of the Board.

## **22. Environment, Health and Safety**

- 22.1.** The Company is committed to providing a safe and healthy working environment for its employees and to avoiding adverse impact and injury to the environment and the communities in which the Company does business. Company Insiders must comply with all applicable environmental, health and safety laws, regulations and Company standards. It is each Insider's responsibility to understand and comply with the laws, regulations and policies that are relevant to his or her job. Failure to comply with environmental, health and safety laws and regulations can result in civil and criminal liability against the Insider and the Company, as well as disciplinary action by the Company, up to and including termination of employment. Insiders should contact the Compliance Officer if they have any questions about the laws, regulations and policies that apply to them.
- 22.2.** All Associates should strive to conserve resources and reduce waste and emissions through recycling and other energy conservation measures. Each Insider has a responsibility to promptly report any known or suspected violations of environmental laws or any events that may result in a discharge or emission of hazardous materials.
- 22.3.** The Company is committed not only to comply with all relevant health and safety laws, but also to conduct business in a manner that protects the safety of its Associates. All Associates are required to comply with all applicable health and safety laws, regulations and policies relevant to their positions. If an Associate has a concern about unsafe conditions or tasks that present a risk of injury, the Associates should report these concerns immediately to the Associate's supervisor or the Human Resources Department.

## **23. Employment Practices**

- 23.1.** The Company pursues fair employment practices in every aspect of its business. The following is intended to be a summary of the Company's employment policies and procedures. Copies of the Company's detailed policies, including the Company's Associate Handbook, are available from the Human Resources Department. Company Associates must comply with all applicable labor and employment laws, including anti-discrimination laws and laws related to freedom of association and privacy. It is each Associate's responsibility to understand and comply with the laws, regulations and policies that are relevant to that Associate's job. Failure to comply with labor and employment laws can result in civil and criminal liability against the Associate and the Company, as well as disciplinary action by the Company, up to and including termination of employment. Associates should contact the Compliance Officer if they have any questions about the laws, regulations and policies that apply to them.

### **23.2. Harassment and Discrimination**

- (a) The Company is committed to providing equal opportunity and fair treatment to all Associates on the basis of merit, without discrimination because of race, color, religion, national origin, sex (including pregnancy), sexual orientation, age, disability, veteran status or other characteristic protected by law. The Company also prohibits harassment based on these characteristics in any form, whether physical or verbal and whether committed by supervisors, non-supervisory personnel or non-Associates. Harassment may include, but is not limited to, offensive sexual flirtations, unwanted sexual advances or propositions, verbal abuse, sexually or racially degrading words, or the display

in the workplace of sexually suggestive or racially degrading objects or pictures.

- (b) If an Associate has any complaints about discrimination or harassment, the Associate should report such conduct to the Human Resources Department. All complaints will be treated with sensitivity and discretion. The Human Resources Department and the Company will protect the Associate's confidentiality to the extent possible, consistent with applicable laws and the Company's need to investigate the Associate's concern. Where the Company's investigation uncovers harassment or discrimination, the Company will take prompt corrective action, which may include disciplinary action by the Company, up to and including, termination of employment. The Company strictly prohibits retaliation against an Associate who, in good faith, files a complaint.
- (c) Any member of management who has reason to believe that an Associate has been the victim of harassment or discrimination or who receives a report of alleged harassment or discrimination is required to report it to the Human Resources Department immediately.

### **23.3. Alcohol and Drugs**

The Company is committed to maintaining a drug-free work place. All Company employees must comply strictly with Company policies regarding the abuse of alcohol and the possession, sale and use of illegal substances. Drinking alcoholic beverages is prohibited while on duty or on the premises of the Company, except at specified Company-sanctioned events. Possessing, using, selling or offering illegal drugs and other controlled substances is prohibited under all circumstances while on duty or on the premises of the Company. Likewise, Associates are prohibited from reporting for work, or driving a Company vehicle or any vehicle on Company business, while under the influence of alcohol or any illegal drug or controlled substance.

### **23.4. Violence Prevention and Weapons**

- (a) The safety and security of Company employees is vitally important. The Company will not tolerate violence or threats of violence in, or related to, the workplace. If an Associate experiences, witnesses or otherwise becomes aware of a violent or potentially violent situation that occurs on the Company's property or affects the Company's business, the Associate must immediately report the situation to the Human Resources Department.
- (b) The Company does not permit any Associate to have weapons of any kind on Company property or in Company vehicles, while on the job or off-site while on Company business. This is true even if the Associate has obtained legal permits to carry weapons. The only exception to this policy applies to security personnel who are specifically authorized by the Company's Compliance Officer and Chief Executive Officer to carry weapons.

## **24. Implementation and Enforcement**

### **24.1. Responsibility for Compliance with Code**

Each Insider is individually responsible for compliance with the Code. The Compliance Officer is responsible for overseeing, interpreting and monitoring compliance with the Code. The Compliance Officer is authorized to consult with outside counsel, at his or her discretion, regarding aspects of administering and enforcing the Code. The

Compliance Officer shall report periodically to the Company's Chief Executive Officer and Disclosure Committee and, where appropriate, to the Audit Committee of the Board regarding all aspects of administering and enforcing the Code.

#### **24.2. Reporting of Violations**

Reporting a known or suspected violation of this Code by others should not be considered an act of disloyalty, but an action to safeguard the reputation and integrity of the Company and its Associates. Any Insider who reports an actual or suspected violation in good faith will not be subject to retaliation by the Company.

#### **24.3. Open Reporting**

If an Associate knows of or suspects a violation of this Code, any of the Company's other policies, or any applicable laws, rules or regulations (other than a suspected violation by the Compliance Officer), he or she must immediately report that information to the Compliance Officer or to the Chair of the Audit Committee. Any alleged violation by the Compliance Officer should be reported directly to the Chief Executive Officer and Chairman of the Board, or to the Chair of the Company's Audit Committee through the same process. If a member of the Board knows of or suspects a violation of this Code, any of the Company's other policies, or any applicable laws, rules or regulations, he or she should report that information to the Chairman of Board and, where appropriate, to the Audit Committee of the Board.

#### **24.4. Anonymous Reporting**

The Company has engaged EthicsPoint, a third party service provider, to host a website and maintain a toll free phone line in order to enable Insiders to file reports of known or suspected violations of this Code, any of the Company's other policies, or any applicable laws, rules or regulations on an anonymous basis. There are three ways to file a report through EthicsPoint:

- (a) Company Network: Click on the link provided on the Company's intranet site. You will automatically be connected to EthicsPoint's secure landing page
- (b) Public Internet: From any computer having Internet access (home, public library, neighbor, etc.), go to [www.ethicspoint.com](http://www.ethicspoint.com) and click on "File a new report"
- (c) Toll-Free Phone: Call our EthicsPoint toll-free hotline from inside the U.S. at 888-315-3934 or from Germany at 0800-1016582. An intake specialist will assist you with entering your report into the EthicsPoint system.

#### **24.5. Investigation of Violations and Enforcement**

##### **(a) General**

Reported violations will be promptly investigated and treated confidentially to the extent possible and in compliance with applicable laws. It is imperative that the person reporting the violation not conduct a preliminary investigation of his or her own. Investigations of alleged violations may involve complex legal issues. Persons who act on their own may compromise the integrity of an investigation and adversely affect both themselves and the Company.

The Compliance Officer or the Chair of the Audit Committee, as appropriate, will present a report of the activities of any Insider who violates, or whose Family Member

violates, any provision of this Code as it relates to the Company's business, to the Chief Executive Officer and the Board for their consideration and such action as the Chief Executive Officer and the Board, in their sole judgment, shall deem warranted. The Compliance Officer (and, as appropriate, the Chair of the Audit Committee) will keep records of all reports created under this Code and of all actions taken hereunder. All such records will be maintained in such manner and for such periods as are required under applicable federal and state law.

If a reported actual or suspected violation of the Code, including a report concerning Financial Improprieties, implicates a person designated to conduct the investigation or to be informed thereof, such person shall be excluded from receiving the report, participating in the investigation, and shall be treated like any other Associate who is the subject of an investigation.

#### **(b) Investigation of Allegations of Financial Improprieties**

The Compliance Officer has the primary responsibility for the investigation of all reported Financial Improprieties, and will immediately notify the Chief Executive Officer ("CEO") and the Chief Financial Officer (the "CFO") after the receipt of such report. The CFO, in conjunction with the Company's internal auditor, will be responsible for investigating the financial impact of the reported Financial Impropriety and for reviewing the controls and procedures that detected or failed to detect the reported Financial Impropriety.

The CFO will inform the chairman of the Audit Committee promptly of the report of any material Financial Impropriety, and will keep the chairman of the Audit Committee apprised of the progress of the investigation by the Compliance Officer and the CFO. Depending on the severity of the Financial Impropriety under investigation, the chairman of the Audit Committee will determine whether the other members of the Audit Committee should be informed immediately or in the course of the next meeting of the Audit Committee.

In connection with their investigation, the personnel responsible for carrying out an investigation of a reported Financial Impropriety will have free and unrestricted access to all records and premises of the Company and its subsidiaries, whether owned or rented, and the authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who may use or have custody of any such items or facilities when it is within the scope of their investigation.

Great care must be taken in the investigation of suspected improprieties or wrongdoings so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way. No information concerning the status of an investigation will be disclosed to individuals other than the members of the Audit Committee, the members of the executive management team, and, on a need to know basis, to the personnel involved in the investigation of the reported Financial Impropriety. The proper response to any inquiries by other persons is: "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation," "the crime," "the fraud," "the forgery," "the misappropriation," or any other specific reference.

## **25. Condition of Employment or Service**

All Insiders shall conduct themselves at all times in the best interests of the Company. Compliance with this Code shall be a condition of employment and of continued employment with the Company, and conduct not in accordance with this Code shall

constitute grounds for disciplinary action, including termination of employment. This Code is not an employment contract nor is it intended to be an all exclusive policy statement on the part of the Company. The Company reserves the right to provide final interpretation of the policies it contains and to revise these policies as it deems necessary or appropriate.

## **Code of Ethics Acknowledgement**

I acknowledge that I have read this Code of Ethics (a copy of which has been supplied to me and which I will retain for future reference) and agree to comply in all respects with the terms and provisions hereof. I also acknowledge that this Code may be modified or supplemented from time to time, and I agree to comply with those modifications and supplements, as well.

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(Signature)

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(Printed Name)

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(Date)