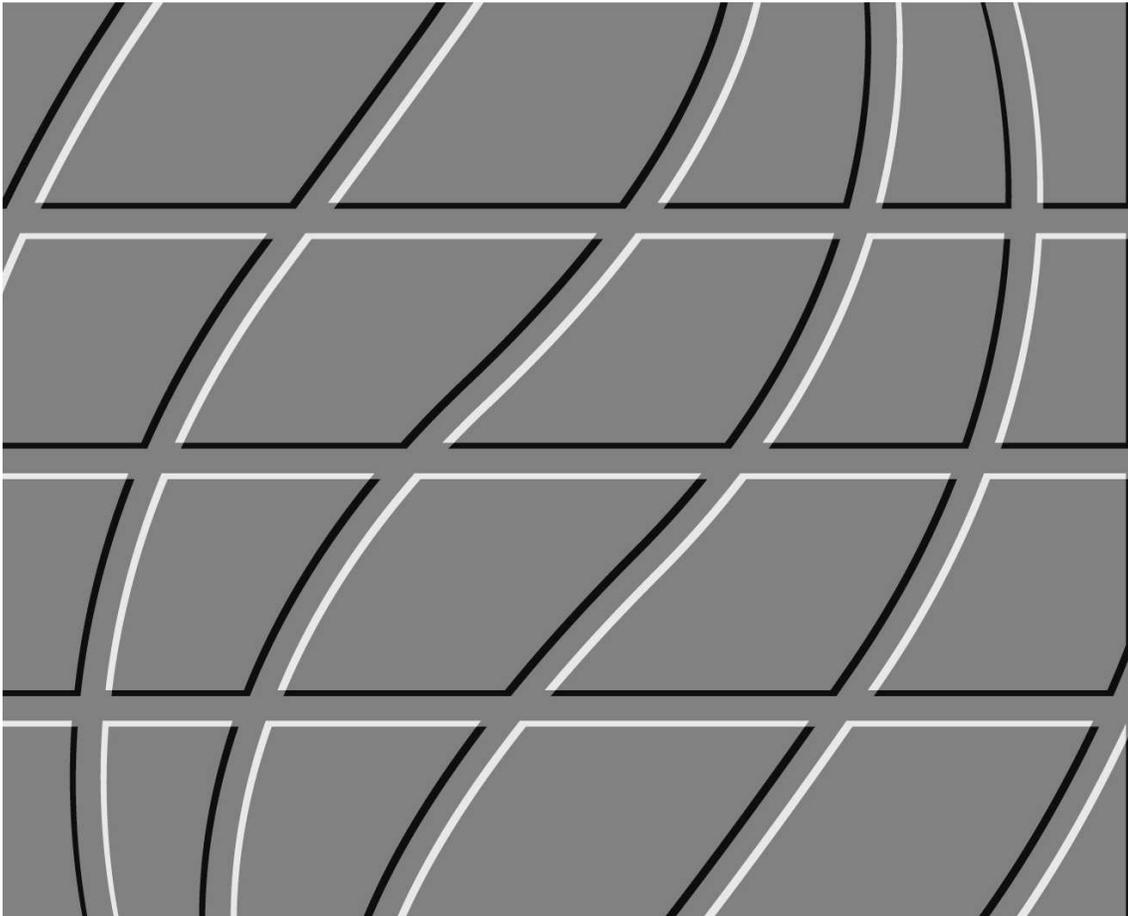


**MILACRON**



# *Code Of Conduct*



**2007**

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## INTRODUCTION

Milacron has for many years enjoyed a reputation for honesty and integrity in all its business dealings. That reputation is a valuable asset earned by Milacron employees, officers, and directors whose actions consistently reflected the highest ethical values. The purpose of this booklet is to help ensure that those values are preserved and Milacron's reputation is not only maintained but enhanced. It contains a brief summary of those corporate policies most critical to sustaining appropriate ethical business conduct.

This CODE OF CONDUCT is also meant to emphasize that all employees, officers, and directors of Milacron and its affiliates, and all those who act as representatives of the Company, must make certain that their actions fulfill the Company's commitment to the guiding principle:

### ***INTEGRITY IN ALL WE DO***

**Note:** *This handbook contains only summaries of selected Milacron policies. Please refer to the relevant policy manual for the complete policy statements.*

## HOW TO COMPLY WITH THIS CODE OF CONDUCT

Employees, officers, and directors of Milacron and its affiliates must be certain their Company-related activities comply with all applicable laws, rules and regulations, and Milacron's policies and procedures. Employees must seek the guidance of appropriate managers if they have any doubt about their ethical responsibilities, and must notify management whenever they become aware of a violation of law or Milacron policies. Officers and directors must resolve any questions about their ethical responsibilities with the Board of Directors and any waiver of these policies for an officer or director must be approved by the Board or a Board Committee and promptly disclosed on the Company's web-site.

Failure to comply with policies or to report violations puts the Company's hard-won reputation at risk and can result in disciplinary action up to and including dismissal.

If you believe an employee, officer, director, contract worker, agent, consultant, or Milacron business unit is violating the law or Milacron policies, or is engaging in conduct that could harm the Company's reputation, you must bring that information to the attention of management or the Board of Directors by:

- 1) Discussing the matter with your supervisor, department manager, business unit manager, or Human Resources representative; or
- 2) Calling the ***AlertLine***

The ***AlertLine*** is a toll-free number that can be called by any employee or other interested person, 24 hours a day, 365 days a year, to report any concerns about violations of the Company's CODE OF CONDUCT.

The ***AlertLine*** is operated by an external third-party vendor that has trained professionals to take your calls, in confidence, and report your concerns to the Audit Committee or designated Milacron management for appropriate action. All calls can be completely anonymous if the caller desires. Callers are given a confidential identification number so they can inquire about the status of the reported concern.

- Callers from the United States, Canada, and Mexico can reach the ***AlertLine*** toll-free at:

**1-888-362-6918**

- Callers from outside the United States, Canada, and Mexico can reach the ***AlertLine*** by calling:

1. the ***AT&T Access Number*** (see below) for the country from which you are dialing, and then
2. dialing the toll-free line at **1-888-362-6918**.

When the line is answered, the ***AlertLine*** operator will obtain the services of a translator so you may proceed in your native language if you wish.

<b><i>Country</i></b>	<b><i>AT&amp;T Access Numbers</i></b>
Belgium	0-800-100-10
China	108-11
Czech Republic	00-800-222-55288
France	0800-99-00-11
Germany	0800-225-5288
Hong Kong	800-96-1111
India	000-117
Italy	800-172-444
Japan	00-539-111
Korea	00-729-11
Netherlands	0800-022-9111
Spain	900-99-0011
United Kingdom	0-800-89-0011

If not listed above, the ***AT&T Access Number*** for your country can be found at:  
<http://www.usa.att.com/traveler/index.jsp>

When calling the ***AlertLine***, you are not required to reveal your identity to make your concerns known. You may choose to remain anonymous, though confidentiality is assured for each of the reporting procedures described above. Employees, officers, and directors who follow these procedures also can be assured that they will experience no criticism, retaliation, or penalty resulting from their decision to come forward.

Employees, officers, and directors under investigation for a violation of Milacron policies will be fully informed of the alleged violation and will be treated with dignity and fairness throughout the process.

## ***The Workplace***

### **CORPORATE OPPORTUNITIES**

Employees, officers, and directors are prohibited from (a) taking for themselves personally opportunities that are discovered through the use of Company property, information or position; (b) using Company property, information, or position for personal gain, and (c) competing with the Company. Employees, officers, and directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

### **CONFLICT OF INTEREST**

A conflict of interest occurs when an individual's private interest interferes in any way – or even appears to interfere – with the interests of the company as a whole. A conflict situation can arise when an employee, officer, or director takes actions or has interests that may make it difficult to perform his or her company work objectively and effectively. Conflicts of interest also arise when an employee, officer, or director, or a member of his or her family,

receives improper personal benefits as a result of his or her position in the company – including loans to, or guarantees of obligations of, such persons.

Because conflict of interest is not always clear-cut and easy to recognize, employees and officers are required to notify their supervisor or the Director of Internal Audit if they suspect they are involved or might become involved in situations that present such a conflict. The Director of Internal Audit will research whether a conflict exists and inform the employee or officer. Employees and officers are also advised to request a written determination from the Director of Internal Audit before becoming involved in a transaction or other situation if they're uncertain whether the action they're considering would violate Company policies. Directors must clear any potential conflict with the Board of Directors.

## **DISCRIMINATION / HARASSMENT**

Discrimination and harassment of employees, applicants, contractors, visitors and customers on the basis of race, religion, color, national origin, ancestry, disability, age, gender, veteran status or any other legally protected classification, is prohibited. Sexual harassment is a form of gender discrimination.

Hostility, intimidation, discrimination and harassment are not welcome in the Milacron work environment. Individuals experiencing or witnessing such an environment are assured that Milacron management will assist in removing the offending behavior as quickly as possible. Any member of management may be notified if such offending behavior has occurred. Preferably, an employee's immediate supervisor or the location's Human Resources representative should be notified. Any member of management informed or made aware of such behavior must immediately contact Human Resources. The Human Resources Department will investigate the complaint.

Complaints must be reported promptly, so that the incident can be investigated and the behavior discontinued as quickly as possible.

If you believe that you are being harassed, you are encouraged to confront the harasser and state that the behavior is unwelcome and offensive, and must stop at once. Do not be silent. If the conduct stops, then you may decide that it is not necessary to issue a complaint. However, you should not hesitate to use the complaint process even if you believe the behavior will not occur again.

Familiarize yourself with the following complaint process, and follow it to report a complaint:

1. Report the complaint to your immediate supervisor.
2. If your immediate supervisor is the harasser, or you feel uncomfortable approaching your supervisor for any reason, report the complaint to your Human Resources representative.
3. If it is not appropriate to report the complaint to your Human Resources representative, report the incident to Corporate Human Resources.

You will be contacted by Human Resources to begin the investigation. If you are not contacted by a Human Resources representative within a few days of your complaint to a supervisor, you must make contact with Human Resources directly.

The investigation will be conducted promptly and discretely, and every reasonable attempt will be made to keep the investigation and the allegations confidential. The privacy and dignity of the person making the complaint, witnesses, and the alleged harasser will be respected in a harassment investigation. Information about the investigation will be shared only with those with a "need to know."

Management and the Human Resources Department will decide upon the resolution of the complaint, if the complaint is found to have merit. The response will depend upon the severity of the harassing behavior with the goal being to eliminate the behavior.

Retaliation of any form against the person making the complaint, a witness in an investigation, or anyone who participates in any way in an investigation is strictly prohibited. Suspicions of retaliation must be reported in the same way as described above.

See your Company location's full policy for more information or contact Human Resources.

## ELECTRONIC COMMUNICATION

Use of electronic communications can provide substantial benefits to the Company but misuse may subject the Company to liability to third parties and cause damage to the reputation and goodwill of the Company. Electronic communications and Milacron equipment and resources are for company business use only and employees and officers should utilize only those types of services for which they have been authorized.

The following are specific guidelines with which each employee and officer must comply. Additional guidelines are included in the Milacron *Information Technology Control Policy*.

- 1) **Confidential Information:** No Company confidential information is to be transferred by any means to persons not employed by the Company unless a Confidentiality Agreement (available from the Patent Department) has been signed by the intended recipient. Company secret, proprietary, or private information must not be sent via electronic mail or over the internet unless it has first been encrypted by a method approved by Corporate Information Technologies.
- 2) **Inappropriate Material:** Company employees and officers are prohibited from being involved in any way in the exchange of inappropriate material such as pirated software, stolen passwords or credit card numbers, and inappropriate written or graphic material (e.g., pornography).
- 3) **Loading Software:** Employees and officers must notify the appropriate Information Technologies department prior to loading software (whether purchased, downloaded, free- or share-ware) on their computer, including but not limited to the following: screen savers, applications, bitmaps, jpeg, avi, mpeg or any other application or file.

At any time and without prior notice, the Company reserves the right to examine e-mail, directories and files, and other information stored on Company computers, tapes, and disks.

## COMPUTER SECURITY / SOFTWARE LICENSING

As with other forms of information critical to the operation of Milacron, information contained on computers or recorded on various storage media must be carefully guarded against accidental or unauthorized duplication, modification, disclosure, or destruction.

All Milacron managers are responsible for identifying valuable information assets and protecting such assets with an appropriate means of security. All employees and officers who deal with such assets are required to understand and comply with all policies and procedures designed to safeguard such information, and to report any known or suspected breach of computer security to the appropriate level of management.

Similarly, employees and officers are advised that all computer software used on Milacron computers must be in compliance with appropriate software licensing terms. Software is not to be copied and installed on other computers in violation of such license agreements. Employees and officers are also prohibited from providing software to anyone for use outside the Company. Any employee or officer who learns of unauthorized duplication or other illegal use of software or related documentation within the Company is required to report such activity to the appropriate level of management.

## **PROTECTION AND PROPER USE OF COMPANY ASSETS**

All Company assets should be used for legitimate business purposes. All employees, officers, and directors should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on Milacron's profitability. As such, any suspected fraud or theft should be immediately reported to the Director of Internal Audit for investigation.

## *The Market*

### **IMPROPER PAYMENTS**

No employee, officer, director, or representative acting on behalf of Milacron or its affiliates is permitted to make any payment in violation of the law or to knowingly misrepresent the facts regarding the receipt and disposition of funds.

This policy is not intended to prohibit the giving of non-cash gratuities or gifts of nominal value when appropriate and customary.

Milacron specifically prohibits the offering, giving, soliciting, or receiving of any form of bribe or kickback, which are criminal acts that can result in the prosecution of the Company and the employee, officer, or director involved.

In all instances in which a gratuity is being provided, employees, officers, and directors must ensure that such gratuities are proper and cannot reasonably be viewed as bribes, kickbacks, or improper inducements.

### **GRATUITIES TO GOVERNMENT EMPLOYEES**

No employee, officer, director, or agent of Milacron or its affiliates shall give, offer, or promise anything of value to a government employee or public official that is in violation of the laws and regulations of any government, country, or political jurisdiction.

The prohibition against giving or promising "anything of value" includes, but is not limited to, payments or promises of money, gifts, favors, entertainment, meals, transportation, lodging, and loans of money or personal items.

Employees, officers, and directors must realize that practices that may be acceptable in dealing with Milacron's non-governmental customers may not be acceptable when dealing with government employees and officials.

### **GIFTS, GRATUITIES, FEES, COMMISSIONS, ETC.**

To avoid even the appearance of favoritism toward any person or company with whom Milacron has a business relationship, Milacron employees, officers, and directors are not permitted to solicit or accept any payment or gift or any favor of value from such persons or companies. This prohibition includes but is not limited to commissions, securities or other shares of profit, any expense-paid trip whether business or pleasure, entertainment other than customary and reasonable sales-related entertainment, and gifts of money in any amount. Not prohibited are gifts of nominal value carrying the name or logo of the donor and distributed as part of a sales promotion, such as pencils, pens, or calendars.

## POLITICAL ACTIVITIES / CONTRIBUTIONS

While Milacron encourages its employees, officers, and directors to become involved in public affairs and political activities, employees, officers, and directors must make certain their participation is on an individual basis, on their own time, and at their own expense. At no time should Milacron funds, facilities, or resources be used to aid any federal, state, or local political campaign without the written approval of the General Counsel of Milacron Inc.

No political or campaign donation may be solicited from any Milacron employee, officer, or director in such a way that the employee, officer, or director feels compelled, obliged, or expected to contribute.

## ANTI-TRUST POLICY

State and federal anti-trust laws strictly forbid any agreement or understanding which would interfere with free trade or limit competition. Severe penalties apply to companies as well as individuals who violate these laws. Those penalties apply not only to written agreements but also to unwritten understandings and even informal discussion of pricing or markets among competitors. Those present at such a discussion may be found to have violated anti-trust laws even if they did not participate in the discussion. Milacron employees, officers, and directors must avoid any such conversations, since even the appearance of anti-competitive behavior may result in a violation of anti-trust laws. If such a discussion begins at any gathering at which Milacron employees, officers, or directors are present, those individuals must immediately object, then leave the gathering.

Specifically prohibited under anti-trust statutes are the following actions:

**Price Fixing / Bid-Rigging:** agreements or understandings between competitors to fix or control pricing, including terms and conditions of sales, such as credit terms, discounts, warranties or service.

**Dividing Markets or Customers:** agreements to allocate products and/or markets among geographical sales areas or by customers or classes of customers.

**Refusal to Deal:** agreements to boycott particular customers, distributors, or dealers. If Milacron employees, officers, or directors are involved in a decision not to sell to a customer or distributor, or to terminate such a relationship, that decision must first be reviewed by corporate legal counsel unless it is based entirely on creditworthiness.

**Tying Arrangements:** attaching conditions to a sale requiring the purchase of a product the customer does not want. Every Milacron product must be sold on its own merits.

**Exclusive Dealing:** transactions based on the understanding that the customer or supplier will not do business with Milacron competitors. No agreement to supply all or substantially all of a customer's or Milacron's requirements may be entered into before consulting with corporate legal counsel.

**Reciprocal Dealing:** agreements whereby one company, as a condition of doing business with another company, requires that company to do business with it.

**Monopolistic Practices:** attempting to achieve, achieving, or maintaining "monopoly power" (the ability to control prices or exclude competition) through illegal or unfair methods or practices. Milacron employees, officers, and directors must avoid any actions which could be viewed as intended to weaken or eliminate a particular competitor through monopolistic practices.

**Unfair Competition:** false advertising, misrepresentation, discrediting competitors, unfairly or illegally obtaining confidential information or trade secrets from a competitor, commercial bribery, mislabeling, false or deceptive comparison of a Milacron product with that of a competitor, and encouraging breaches of contract between competitors and their customers.

**Undue Influence:** attempting to fix prices and terms of resale, limit area in which such sales can occur, or dictate customers to whom such sales can be made. Once a Milacron product is sold to a distributor or customer, that distributor or customer is free to resell the product to anyone they choose, whenever they choose, and at whatever prices, terms and conditions they choose.

## **MATERIAL INFORMATION / INSIDER TRADING**

Federal law and stock exchange rules regulate when and how to make public material information about the Company and its performance. Information is considered "material" if it could influence an investor's decision to buy, sell, or hold shares of the Company's stock. Milacron employees, officers, and directors who possess such information about the Company, its customers, suppliers, competitors or others are strictly prohibited from using that information to benefit themselves or others directly or indirectly through investment activities or in any other manner. All transactions in Company stock by Milacron officers and directors must be pre-cleared with the Secretary of the Company. Employees, officers, and directors are also prohibited from disclosing non-public material information both to anyone outside the Company and to Milacron employees whose duties don't require that they be given the information. Milacron documents containing such information are to be clearly marked "CONFIDENTIAL", "COMPANY CONFIDENTIAL", or "MILACRON CONFIDENTIAL".

## **MILACRON CONFIDENTIAL INFORMATION**

To succeed in a competitive marketplace, Milacron and its affiliates spend millions of dollars every year developing new products and services for their customers. The knowledge gained at such great expense is invaluable when it allows Milacron to offer superior technology at a competitive price. But that competitive edge can be erased if others gain access to Milacron's confidential know-how and use it to develop competing products without compensation to Milacron. Clearly, every Milacron employee, officer, and director has a personal stake and responsibility in ensuring the secrecy of confidential Company proprietary information.

Confidential Information includes all unpublished product, manufacturing, marketing, sales, and financial information of Milacron and its affiliates. Each employee, officer, and director is responsible to treat such information as confidential and the sole property of Milacron. Such information should be copied and distributed only on a "need-to-know" basis, kept in a secure place, that is, kept where access is controlled at all times and, prior to disclosure to any person not employed by the Company, prominently marked "Confidential". Employees, officers, and directors are responsible to ensure that all disclosures of Confidential Information to persons not employed by the Company are made subject to an express written agreement with the recipient to preserve the Company's rights in such information (such agreement must be approved by the Corporate Patent Department or the responsible intellectual property expert).

Upon leaving the Company, every employee and officer must certify that all Confidential Information made available to him or her has been returned to the Company.

## **PROPRIETARY RIGHTS AGREEMENT**

Milacron recognizes that special expertise and knowledge acquired through the efforts of its employees and officers form the basis for its success in the marketplace. The Company devotes considerable energy and expense protecting such intellectual property under laws related to patents, copyrights, designs, trade secrets, and unfair competition. The Company also vigorously protects its rights to such property, and requires all employees and officers to sign a Proprietary Rights Agreement as a condition of employment. Under that agreement, employees and officers acknowledge that the results of their labor for the Company, including all work eligible for copyright, patent or other legal protection, is owned by the Company. Employees and officers also agree to comply with Milacron policies designed to prevent the disclosure of unpublished Company information outside the Company, and not to make use

of the confidential information or trade secrets of former employers or business associates in the performance of duties for Milacron.

## **RELEASE OF COMPANY INFORMATION**

To prevent the inadvertent disclosure of confidential information, premature description of product data or marketing strategy, or the release of other information which could be helpful to a competitor, Milacron has established a detailed policy governing the release of Company information.

In general, requests for technical and/or product information should be directed to the appropriate operating unit management for review. All presentations of technical material by Milacron employees and officers, whether in published articles or presentations before outside groups, must be preceded by approval of the appropriate operating unit management, which will be responsible for obtaining all other necessary approvals, including that of the Corporate Patent Department or the responsible intellectual property expert.

Requests for general business and financial information, especially those made by the media or investment community, should be referred to the Director of Corporate Communications & Investor Relations.

## **RECEIVING CONFIDENTIAL INFORMATION**

There are many situations which require Milacron to receive or share confidential information of other parties. Such occasions arise routinely in joint development activities, consulting and sales presentation, as part of special engineering contracts, and possibly, in the course of due diligence. In such instances, employees or officers may be asked to sign confidential information agreements, but they should only do so after the agreement is reviewed and approved by the Corporate Patent Department or the responsible intellectual property expert. All signed agreements must be forwarded to the Patent Department or the responsible intellectual property expert for retention.

If an employee or officer is unexpectedly presented with such an agreement during a meeting and has had no opportunity to have the agreement approved, the employee or officer may do one of the following:

- 1) Offer to sign a standard Confidentiality Agreement supplied by the Company;
- 2) Contact management or the responsible intellectual property expert for advice; or
- 3) Tactfully decline to sign by explaining that Company policy does not allow him/her to sign until the agreement has been reviewed and approved.

The Milacron employee or officer who is the primary contact to the party providing the confidential information has primary responsibility for proper handling of that information. It must be treated with at least the same care given Milacron's own confidential information.

## **NEW PRODUCT IDEAS FROM OUTSIDE SOURCES**

Milacron encourages outside parties to submit ideas for new products, processes, and services. The Company also recognizes that such submissions can easily create misunderstanding and discord unless they are handled promptly with the utmost care and courtesy. Accordingly, the Company has established a policy all employees and officers must follow if they are recipients of such information.

All offers of ideas are to be referred to the responsible intellectual property expert (e.g., the Corporate Patent Department). Employees and officers are to read only so much of a written proposal to see that it contains an offer of an idea. The written submission is not to be copied or disseminated before being forwarded to the responsible

intellectual property expert. Any person making a verbal offer is to be advised to contact the responsible intellectual property expert before disclosing their idea to an employee or officer.

## **COMPETITION AND FAIR DEALING**

Each employee, officer, and director must endeavor to deal fairly with the Company's customers, suppliers, competitors, and employees. No employee, officer, or director should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

## **COMPETITIVE INFORMATION**

While Milacron is deeply interested in its competitive position in the marketplace, Milacron employees, officers, directors, and other representatives of the Company must ensure that all information used to assess that position is legally and ethically obtained. Those acting on behalf of the Company must refuse any improper access to trade secrets or confidential information of competitors, other companies or the government.

The following guidelines help ensure compliance with this policy:

- 1) Information about a competitor's pricing, terms of sale, market share or allocation of customers and markets must not be obtained from a competitor or any third party who is not legally entitled to disclose that information.
- 2) Competitive information may be obtained from a party who is not a competitor if they possess the information lawfully and convey it lawfully to Milacron.
- 3) Information gathered or used must not be confidential or proprietary to a third party.
- 4) Only lawful, ethical means must be used to obtain competitive information.

## **ACCOUNTING POLICIES**

Milacron must comply with all laws relating to the accurate and complete maintenance of Company financial books and records. No Company funds or property can be used for any unlawful, improper, or unethical purpose. No undisclosed or unrecorded funds or assets can be established and no false or improper entries can be made in Milacron books and records for any purpose. All Milacron financial books and records must be maintained in accordance with generally accepted accounting principles, Milacron policies and procedures, and with all laws governing the maintenance of corporate books and records.

It is also Milacron policy to maintain an internal control system to ensure:

- Corporate assets and funds are properly acquired, safeguarded, and recorded on Milacron accounting records.
- Corporate liabilities are properly incurred and reported on Milacron accounting records.
- External financial reporting fairly reflects financial condition and results of the operation.
- Corporate resources are effectively used and business operations are reasonably efficient.
- Employees and officers adhere to Milacron accounting, administrative, internal control, and financial reporting policies and procedures.

# *Global*

## **BOYCOTTS, RESTRICTIVE TRADE PRACTICES**

Federal law prohibits U.S. firms or their subsidiaries from taking any action which might be considered a restrictive trade practice or participating in an international boycott. Statutes further require that representatives of U.S. firms report to federal authorities any solicitation or request made in connection with such a boycott, even when no action is taken.

When dealing with customers in boycotting countries, purchase orders, shipping and invoice documents, letters of credit, and other written contract provisions should be carefully scrutinized and handled in accordance with the detailed instructions in Milacron's Corporate Policy Manual.

In addition to written contracts, oral arrangements, statements and agreements related to boycotts are also prohibited under U.S. law. Similarly, any conduct, no matter how innocent, which deviates from Milacron's customary business methods may be viewed as a response to a boycott and should be avoided.

Any employee or officer receiving a request for certificates or other documents referring to a boycott, "blacklist" or other restrictive trade practice should immediately refer the matter to Milacron's Legal Department, which should also be advised of any other encounter or communication related to similar restrictive trade practices.

## **EXPORT TRANSACTIONS**

Under no circumstances will sales be made contrary to export regulations of the country of origin of the Company's products. The President or Managing Director of each subsidiary and affiliate shall designate those who shall have primary responsibility for maintaining current information regarding the applicable regulations and for administration of practices and procedures for complying with the regulations. In the U.S., each business unit which engages in the export of products, information, or services shall ensure that employees responsible for compliance with U.S. export laws and regulations have sufficient training and resources.