

Message from Craig Conway

When Dave Duffield founded PeopleSoft in 1987, he envisioned a company where employees act with integrity, customers are treated fairly and people enjoy coming to work. The emphasis that Dave placed on integrity is reflected in our Code of Business Ethics. Every PeopleSoft employee needs to read and understand our Code of Business Ethics and to act in accordance with its letter and its spirit.

We work in a fast-paced and competitive industry, and in a difficult and demanding business environment that emphasizes the need to exercise sound business judgment and to act ethically. By following the Code of Business Ethics, you will be able to meet and to deal ethically with the challenges that we face everyday.

I am proud to work with employees whose dedication to integrity and ethical conduct are central to PeopleSoft's continued success in this dynamic marketplace.

Craig Conway

PEOPLESOFT'S CODE OF BUSINESS ETHICS

December 30, 2003

PeopleSoft's Code of Business Ethics applies to all employees of PeopleSoft and its subsidiaries. It also applies to members of the PeopleSoft Board of Directors in their capacity as directors (included in the term "employees" in this Code). Each employee is expected to know, understand and abide by the Code of Business Ethics. Each person is responsible for his/her own conduct, and managers are expected to lead by example.

There are three fundamentals of the PeopleSoft Code of Business Ethics:

- **Act with Integrity:** Be honest and ethical in your work for PeopleSoft and in all interactions with customers, partners, vendors, consultants, employees, and governmental entities. Maintain accurate records. Avoid actual or potential conflicts of interest.
- **Act Legally:** Comply with all laws and regulations that apply to PeopleSoft, your position, and the operation in which you work. Know and comply with all PeopleSoft policies.
- **Act Responsibly:** Protect PeopleSoft's interests.

PeopleSoft's Code of Business Ethics requires you to communicate with PeopleSoft management when actual or potential issues arise under the Code, for example:

- You become aware of a violation of the Code of Business Ethics
- You or an immediate family member have an interest in a company that does business with PeopleSoft
- You or an immediate family member have invested in a company that does business with PeopleSoft
- You are asked to join another entity's board of directors

The reporting that is required is detailed below.

Act with Integrity - Be honest and ethical in your work for PeopleSoft and in all interactions with customers, partners, vendors, consultants, employees, and governmental entities. Maintain accurate records. Avoid actual or potential conflicts of interest.

Be Honest and Ethical

Honest and ethical behavior is the foundation of any business relationship. This means avoiding actions that are dishonest or that may defraud or harm PeopleSoft, its customers, partners, vendors, consultants or employees. It also includes being truthful and avoiding actions like falsifying or misrepresenting information provided to others, including government officials, in connection with PeopleSoft's business.

Maintain Accurate Records; Make Accurate Communications

As PeopleSoft employees, each of us has a direct role in helping to maintain the Company's financial integrity. All documents, records, accounts, statements and transactions related to the Company and its business must be recorded and maintained fully, fairly, accurately, and in a timely fashion. PeopleSoft's financial statements and public and private communications must be understandable, and must not be false or contain misrepresentations or omissions that result in misleading communications. All assets, liabilities and transactions of the Company must be recorded in the Company's financial records and be properly disclosed. Undisclosed and unrecorded side-letters, i.e., hidden arrangements that alter the Company's obligations, are prohibited. In addition, each employee is responsible for complying with the Company's expense reimbursement policies and for submitting accurate reports of business expenses consistent with these policies.

Avoid Actual or Potential Conflicts of Interest

Conflicts of interest can compromise employees' business ethics. A conflict of interest exists when an employee's loyalties or actions are divided between the Company on the one hand and the employee (or a member of the employee's family), a competitor, supplier, customer or other third party on the other hand. Employees and their immediate families are expected to avoid situations that create an actual or potential conflict between the employee's or other party's personal interests and the interests of the Company.

Gifts and Entertainment. Employees may entertain, or be entertained by, current or prospective customers, suppliers or vendors, where the entertainment, typically a meal at a restaurant or attendance at an event or seminar, is intended to foster a better working relationship and the event or entertainment is consistent with reasonable business practices, provided that it is not illegal or prohibited under applicable laws and regulations.

Employees and their immediate families must not, however, give or receive anything of material value which directly influences the employee's, donor's or recipient's decision to contract with PeopleSoft or the terms under which PeopleSoft and the donor or

recipient do, or will do, business. This restriction applies to giving or receiving gifts, money, entertainment, and discounts for personal use or preferential treatment.

Employees may not give gifts of any value to customers and prospects associated with governmental or quasi-governmental entities. However, items of nominal value that are distributed to promote the PeopleSoft name or brand may be distributed to participants at conferences or trade shows.

Investments and Other Interests in Firms with Which PeopleSoft Does Business.

Employees should not do business on behalf of PeopleSoft with a supplier in which the employee or an employee's immediate family member has an interest, without disclosing the relationship to the General Counsel and obtaining the General Counsel's consent to do business with the supplier.

Investments in, or holding a position with, a company with which PeopleSoft does business or in which PeopleSoft also invests must be disclosed to the General Counsel. Employees of PeopleSoft should make the disclosure at the time PeopleSoft enters into a relationship with the company. If PeopleSoft has an existing relationship with an entity in which an employee is an investor or holds a position at the time of joining PeopleSoft, disclosure to the General Counsel needs to be made on joining PeopleSoft. Based on the disclosure, the employee may be restricted from participating in certain decisions as they relate to the company in which the employee (or the immediate family member) holds the position or has invested, and additional approvals or disclosures may be required. It is not a conflict of interest, and no disclosure is required, to invest in a publicly traded company, provided the ownership interest is less than 5%, and provided there is no violation of PeopleSoft's Insider Trading Policy.

Other Employment. PeopleSoft expects its full-time employees to devote their full work time, energies, abilities and attention to PeopleSoft's business. The pursuit of other activities that may potentially interfere with this obligation should be undertaken only after disclosure to and consent of the Vice President to whom you or your group report, except where different reporting is required under this policy. Receipt of compensation from third parties for activities undertaken for PeopleSoft is prohibited.

If you are asked to join the board of directors of another company, you must check with the General Counsel to make sure that there is no conflict of interest.

Opportunities that Benefit PeopleSoft. There may be financial or other investments or business opportunities that you become aware of in the course of your work for the Company or service on its Board that would benefit PeopleSoft. If management is not already aware of the investment or opportunity, you need to inform the Vice President to whom you or your group report, of the investment or other opportunity. Board members should discuss the investment or opportunity with the Board. You cannot make the investment yourself or otherwise take advantage of the opportunity unless the Company declines or you obtain permission from the General Counsel (or in the case of Board members, from the Board), and it is otherwise not a conflict of interest under this policy.

Act Legally - Comply with All Laws and Regulations that Apply to PeopleSoft, to Your Position and the Operation in which You Work.

Numerous laws and regulations apply to PeopleSoft and impact the way it sells its products, provides services and communicates with stockholders, regulatory bodies, and the public. Some of these laws and regulations are listed below. You are required to comply with all laws, regulations and professional standards that apply to your work for PeopleSoft and the operation or division in which you work.

Unauthorized Use of Others' Intellectual Property

PeopleSoft expects other companies to respect its intellectual property rights and itself has a policy that prohibits unauthorized use of copyrighted, patented or other proprietary materials or information belonging to others. PeopleSoft also prohibits in the course of doing work for PeopleSoft the use of software or other proprietary rights of third parties without authorization or a license to do so, or for purposes other than the purposes for which it has been authorized or licensed.

Employees should not use any proprietary or confidential information belonging to any former employers, or provide such information to other PeopleSoft employees.

U.S. Securities Disclosure Laws

The securities laws have very strict and precise rules about the disclosure of company information that has not otherwise been made public. To ensure that PeopleSoft complies with these provisions, you should refer all calls or other contact with analysts or the media to the PeopleSoft public relations, investor relations or analyst relations departments, or to the appropriate member of the management team.

Foreign Corrupt Practices Act (FCPA)

The FCPA prohibits American companies in all countries in which they are doing business from directly or indirectly making certain payments to foreign governments, governmental entities, agents, or their employees, regardless of whether such payments or gifts are "standard" practice in the particular country or region.

Antitrust Compliance

Agreements with competitors to fix bids or fix prices or to refrain from competing with each other are among the actions prohibited under the antitrust laws of many of the countries in which PeopleSoft does business. Employees should not discuss the pricing of PeopleSoft's software products and services with competitors or the terms under which PeopleSoft may bid for a prospective customer's business. If you're present at any discussion with competitors in which prices or terms are discussed, contact PeopleSoft's General Counsel immediately.

Insider Trading

Employees may be exposed to sensitive information about the Company's performance or strategic plans before that information becomes public ("Inside Information"). Every employee of PeopleSoft has a legal obligation to keep Inside Information confidential and to not disclose such information to anyone before the information becomes public.

Employees with Inside Information may not trade in PeopleSoft stock. Employees also may not trade in PeopleSoft stock when such trades are prohibited under PeopleSoft's Insider Trading Policy, which is available on Planet PeopleSoft (the Company's intranet).

Other Laws, including Local Governmental Laws and Regulations

Along with the laws and regulations identified above, PeopleSoft employees have an obligation to follow all other applicable laws and regulations including those respecting workplace and privacy rights, export restrictions, and other laws that are specific to a particular country or jurisdiction.

If you have questions or concerns regarding the applicability of any law to you and your position with PeopleSoft you should contact the General Counsel or the Senior Regional Counsel with responsibility for your region.

Act Responsibly - Protect PeopleSoft's Interests.

PeopleSoft's interests are best served by employees who use good business judgment in making decisions and act accordingly.

PeopleSoft needs to protect both its tangible and intangible assets (like its confidential information, intellectual property and the reputation of the company). Employees should not misuse PeopleSoft's assets or disclose information that is confidential or proprietary to PeopleSoft.

Company Resources

PeopleSoft assigns to its employees equipment, systems, facilities and other resources that employees need to do their jobs effectively and efficiently. PeopleSoft's resources should not be abused or neglected. Employees are expected to follow the Company's policies regarding acceptable use of information systems. All Company property is tracked by PeopleSoft. Unclaimed, obsolete or damaged property should be deposited with PeopleSoft's IT department. Managers are responsible for ensuring that when an employee leaves PeopleSoft, all of the assets assigned to the employee (e.g., cell phones, computers, home fax) are returned to PeopleSoft.

PeopleSoft's Intellectual Property

PeopleSoft maintains a competitive advantage because PeopleSoft has certain copyright and other intellectual property rights to its software products and its business generally that only PeopleSoft can use. Providing access to others to PeopleSoft's products or their source code, or other aspects of PeopleSoft's intellectual property, except to the extent that the Company's policies and approved business practices allow it, could impair PeopleSoft's ability to compete and reduce the value of its intellectual property.

Company Funds

No funds of the Company can be used for any unlawful purpose, or to improperly influence or attempt to improperly influence any other person. No employee can

authorize a payment to be made from Company funds for any purpose other than described in the supporting documentation for the payment.

Loans

PeopleSoft will not make personal loans to directors or executive officers of the Company.

Enforcement of the Code of Business Ethics.

It is important that PeopleSoft employees communicate with management regarding issues that arise about business ethics. PeopleSoft is committed to providing open communication to discuss ethics questions before they become problems. The Company intends to ensure that its business is operated in an ethical manner through the following procedures:

There are no exceptions to compliance with the Code of Business Ethics

If you feel that there is a reason to make some exception, or if you have any questions regarding this policy, please seek appropriate legal advice from PeopleSoft's Corporate Legal Department or Senior Regional Counsel.

Determining Whether There is a Conflict of Interest; Modifications to Resolve Conflicts

Employees who are unsure whether a certain transaction, activity, or relationship constitutes a conflict of interest must communicate with the General Counsel promptly to discuss the potential conflict and obtain a determination as to whether there is a potential conflict, and if there is, what action, if any, is required to resolve the conflict. The General Counsel will discuss potential conflicts involving Executive Officers and directors of the Company with the Corporate Governance/Nominating Committee of the Board of Directors and the Corporate Governance/Nominating Committee will be responsible for making determinations and taking any action necessary to resolve a conflict with respect to such executives and directors. All persons covered by this Code of Business Ethics must comply with the determination of the appropriate management or Board representatives.

Reporting

Every employee has a duty to report violations of the Code of Business Ethics immediately after the employee becomes aware of the violation, either to the General Counsel or the Company's hotline (see below).

If you have any reason to believe a violation of any law, including state or federal securities or antitrust laws, laws against harassment or discrimination, or other applicable laws, such as the Foreign Corrupt Practices Act, has occurred or may occur, you must immediately contact either PeopleSoft's General Counsel or the Company's hotline (see below) to report the matter.

Hotline: PeopleSoft has an ethics hotline for you to anonymously report your concerns regarding accounting, auditing, ethics, law violation or any other issue about the

Company. You can reach the ethics hotline by either calling the phone number or by accessing the link located on the Human Resources page of Planet PeopleSoft. Your communications will be received by an independent ethics administrator engaged by the Company. The concerns will be forwarded to the Company's General Counsel and the Director of Internal Audit, and if appropriate, to the Audit Committee of the Board for evaluation and an investigation. The General Counsel and/or the Audit Committee will make a determination as to whether a violation of policy or law has occurred, and what, if any, remedial action must be taken. Anyone anonymously reporting the violation will be notified on an anonymous basis.

Certifications: All employees will sign a pledge to comply with the Code of Business Ethics upon hire. From time to time, employees may be asked to certify that they are in compliance with the Code of Business Ethics and are not aware of any violations of the policy.

No Retaliation

PeopleSoft pledges not to retaliate or threaten to retaliate against any employee who reports in good faith an actual or potential violation of this Code or anything covered under it. This means that the Company will not tolerate harassment of, or adverse employment decisions against, an employee for having made such a report in good faith. This pledge does not mean that an employee who himself or herself violates the Code and reports it will not be subject to disciplinary action.

Determination of Violations

The General Counsel, or in the case of Executive Officers and directors, the Audit Committee or the Board of Directors in consultation with the General Counsel, will make determinations as to whether an employee has violated the Company's Code of Business Ethics. The employee involved will have an opportunity to communicate his or her position prior to any such determination.

Disciplinary Action

Failure to adhere to these guidelines, including failure to refrain from or disclose any conflict of interest or to seek approval of a covered transaction, may result in disciplinary action, up to and including termination of employment or service with the Company.