

EMCO Chemical Distributors Inc. –
CODE OF BUSINESS CONDUCT & ETHICS
November 2016

Acting Ethically

This Code covers key ethical principles and governs how EMCO employees should conduct business on behalf of EMCO. More specific day-to-day procedures are outlined in EMCO's employee handbook. All employees of EMCO must understand the legal and ethical requirements that apply to their business units and areas of responsibility.

If you are ever unsure whether an act is ethical, ask yourself the following questions:

- Is the action legal?
- Does the action comply with the Code?
- Would the action withstand public scrutiny if disclosed?
- Will the action reinforce EMCO's reputation as an ethical company?

If you cannot answer these questions with an unqualified yes, you should seek guidance by reviewing EMCO's policies, discussing the situation with your manager or supervisor, a member of the human resource department, or a member of the legal department before proceeding with the action.

All references to "EMCO" in the Code refer to **EMCO Chemical Distributors, Inc.**

We comply with all applicable laws.

Obeying the law is the foundation of our Code of Business Conduct & Ethics. EMCO operates in many different countries and jurisdictions, and employees are required to comply with the applicable laws in all countries to which they travel or any location where EMCO does business. In particular, you should be aware of the following laws that impact our business:

- *Anti-Corruption Laws:*
It is never appropriate to offer or accept bribes, kickbacks or any other type of improper preferential benefit.
- *Import-Export & Trade Laws:*
We transfer products, supplies and raw materials to and from countries all over the world every day. In so doing, we must comply with all laws, rules and regulations that govern these activities. These laws may include export controls and anti-boycott regulations that apply whether an employee is based in, or a citizen of, the U.S., Canada, or another country.
- *Competition Laws:*
We treat our competition ethically and comply with all laws designed to protect competition. Fair dealing laws and antitrust laws protect industry competition by

generally prohibiting formal or informal agreements between competitors that seek to manipulate prices or unfairly impact competitors.

- *Money Laundering Laws:*
Employees may not attempt to conceal or “launder” illegally received funds or make the source of the funds appear legitimate. In addition, employees should be alert for and report any suspicious transactions.

We avoid conflicts of interest.

EMCO respects the right of our employees to manage their personal affairs. Nevertheless, an employee’s personal interests must never improperly influence (or appear to influence) the performance of their duties to EMCO. Please avoid conflicts of interest, especially concerning the following areas:

- *Personal Relationships:*
Employees should not participate in any business decision that could benefit an individual with whom they have a close personal relationship at a cost or detriment of any kind to EMCO. For example, employees may not influence employment-related decisions that affect a relative.
- *Gifts & Business Entertainment:*
Providing and receiving modest gifts or entertainment can be beneficial to long-term business collaboration provided they are reasonable and appropriate for the situation, not offered to improperly influence a business decision and are permissible under both U.S. and local law. Gifts and entertainment should always be in good taste and are considered courtesies, not regular practice. Gifts in cash are prohibited. Similar transactions with foreign or domestic government officials are covered by separate legal rules. Employees should consult with your manager or supervisor or the legal department before engaging in any transaction with a government official to ensure compliance with internal procedures.
- *Outside Employment:*
Full-time employees must have prior written approval from their manager or supervisor before providing services to another for-profit business unless otherwise allowed under the terms of their employment or local law. EMCO does not approve of employees providing services to a competitor while employed by EMCO.
- *Political Activities:*
You should keep your political activities separate from your work for EMCO. Accordingly, it is inappropriate to use EMCO’s resources (including time, property or equipment) for such activities. You should notify your manager or supervisor before accepting a public office.

- *Business Opportunities:*
You may not take advantage of business opportunities that you learn about through your work with EMCO or direct those opportunities to a third party. Any such business opportunities should be discussed with management.

We are good citizens in our communities.

- *Environmental Stewardship:*
We are committed to environmental stewardship and protecting environmental resources for future generations. To that end you must follow all environmental rules and regulations established by local, regional or national authorities as well as EMCO's own Environmental, Health and Safety Department.
- *Workplace Safety:*
Employees are entitled to a safe, clean, and healthy working environment that complies with all relevant laws, rules, regulations, and policies as well as EMCO's own standards and guidelines. All business activities must be conducted with all necessary permits, approvals and controls.
- *Labor Practices:*
All employees of EMCO must comply with all labor laws in the jurisdictions where it operates. We will not engage in, nor do business with any third party engaging in, the use of forced or involuntary labor, human trafficking, or child labor.

We manage corporate assets and information responsibly.

- *Protecting EMCO's Assets:*
You must always exercise good judgment when using EMCO's assets. Personal use of EMCO's assets (such as telephones, printers, faxes, etc.) should be minimal and not interfere with job performance. You may not use EMCO's email or intranet assets to send or access harassing or illegal content.
- *Privacy:* Employee and customer privacy is important. To protect that privacy, you must follow all relevant laws and respect the privacy of information when collecting, keeping and transferring private information.
- *Data Security:*
Keeping EMCO's data safe strengthens our business by building trust between our employees, customers and business partners. You must protect all passwords, user IDs, access cards and encryption or authentication keys. Employees shall not share information that is confidential and proprietary about EMCO's business products or customers; including information related to pricing formulas, marketing plans and strategies, research and development of products and customer information and related

data. This includes information about trademarks, upcoming product releases, sales, finances, number of products sold, EMCO's strategy, and any other business information that has not been publicly released by EMCO. These are given as examples only and do not cover the range of what EMCO considers confidential and proprietary. Nothing contained in this policy prevents or prohibits non-supervisory employees from exercising their rights to engage in concerted protected activities recognized by law.

- *Document Retention:*

You must comply with EMCO's records management policies and legal hold notices. These policies apply to retention and destruction of all records created by EMCO, including hard copies, electronic files, emails, instant messages, video, and backup tapes.

- *Accurate Records:*

You must follow EMCO's system of internal controls and disclosure controls and ensure that corporate records are legitimate and accurate. Creating false or misleading records of any kind is prohibited.

- *Speaking on EMCO's Behalf:*

Unless specifically authorized by Management, employees are not authorized to speak on behalf of EMCO, nor represent that they do so. Employees permitted to speak on EMCO's behalf must always be truthful, accurate and respectful in their communications.

- *Non-Discrimination & Non-Harassment:*

The diversity of our workforce is a tremendous asset. We are committed to providing equal opportunity in all aspects of employment and will not tolerate discrimination on the basis of age, race, color, national origin, religion, sex, gender identity, or sexual orientation or any other protected category under applicable state or federal law. We will not tolerate harassment or unlawful behaviors of any kind, including derogatory comments based on race or ethnicity or unwelcome sexual advances.

- *Mutual Respect:*

We set high standards for professional and ethical conduct that at all times governs how we interact with customers, suppliers, colleagues and members of the public. This includes: no tolerance for intimidation, hostility or threats; extending courtesy and respect to individuals; respecting EMCO property and that of others; acting fairly and honestly at all times; working together to achieve better results, and taking steps to understand the laws and customs of the different countries in which we operate.

- *Disciplinary Action and Counseling:*
EMCO maintains standards of performance and conduct in the workplace through the appropriate use of informal counselling, employee training, formal counselling and disciplinary actions which may result in penalties, up to and including dismissal.

Asking Questions, Responding to Concerns & Assisting with Investigations.

Consequences for Violating the Code: Violation of any law or this Code is a serious matter. Any employee who compromises or violates any applicable law or the Code may be subject to disciplinary action, up to and including, termination of employment.

Cooperating in Investigations: You may be asked to cooperate or provide information in an investigation. Your full cooperation and assistance is required and the failure to do so will be considered a violation of the Code and EMCO policy.

Non-retaliation: We will not tolerate retaliation against any employee who makes a report about a violation or possible violation of applicable law or the Code, or who participates in any investigation conducted internally or by a government enforcement agency. Any employee who believes he or she has been retaliated against should promptly report it to one of the resources listed below.

Waivers: Waivers or exceptions to the Code will be granted only in advance and only under exceptional circumstances by the EMCO legal department. A waiver of this Code for any executive officer may be made only by the President.

Seeking Guidance & Reporting Violations: You may request guidance about how to comply with applicable law or the Code and are invited to report violations through any of the following channels:

- your manager;
- a member of the human resources department; or
- a member of the EMCO legal department.

Any manager or supervisor or other individual who receives a report of a violation or a possible violation should refrain from conducting any independent investigation, and promptly forward the report to EMCO legal department, who will advise on next steps.

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