

JULY 2007

A. M. CASTLE & CO.

**EMPLOYEE CODE OF BUSINESS CONDUCT & CORPORATE
ETHICS POLICY**

Introduction

All employees should know the Company's position on basic legal, ethical, and social issues that affect the way business is conducted. This section sets forth basic standards and rules, and is intended to formalize the Company's existing ethical and procedural guidelines, and provide employees with a readily accessible tool to help assure compliance.

The maintenance of the highest standards of business conduct contributes to the reputation, financial success, and future growth of the Company. The policies in this section reflect the Company's ongoing commitment to these standards.

All employees are expected to read the Code and become familiar with its contents. All employees must abide by this Code of Conduct, and maintain the highest standards of personal and professional conduct in the performance of any and all business activities, both in the United States and everywhere else in the world where the Company does business.

This Code of Business Conduct and Corporate Ethics Policy (the "Code") is a statement of policies and procedures of the Company for conducting its business in a legal and ethical manner. It has been issued to all employees in order to reaffirm the existing policies of the Company relating to ethical standards and business practices.

The Code includes provisions from existing corporate policies to provide an accessible reference for all employees. Certain corporate policies set forth more detailed information on subjects covered by the Code.

All policies and procedures in the Code apply to all employees and agents of the Company, its divisions and affiliates (collectively the "Company"), whether operating in the United States or in any other countries where the Company does business.

The Company expects all employees to observe high ethical standards in the performance of their duties, and to observe all laws and regulations governing business transactions and practices. The policy of the Company is to prevent the occurrence of illegal or unethical behavior, to halt any illegal or unethical

behavior that may occur as soon as reasonably possible after its discovery, and to discipline those who violate the Code, including individuals responsible for the failure to exercise proper supervision and oversight to detect and report a violation by their subordinate employees. Discipline may, when appropriate, include termination of employment.

Guidance and Interpretation

Whenever the legality or propriety of a proposed course of conduct is subject to question, it is incumbent upon the employee involved to obtain advice concerning these policies from the person to whom he or she reports, and, when appropriate, to request advice from the Company's General Counsel. An employee who has a question regarding the applicability or interpretation of the Code should utilize the procedures specified in the section entitled "Implementation of the Code".

The Code is not a contract, and is not intended to create any contractual obligations on the part of the Company or its subsidiaries or affiliates. The Code also does not alter the existing at-will employment relationship between the Company and its employees.

Compliance with the Law

Employees of the Company shall comply with the laws, rules and regulations and highest standards of business ethics and conduct in every country in which the Company does business. Each employee is responsible for his or her own actions. All employees must acquaint themselves with the legal standards and restrictions applicable to their assigned duties and responsibilities, and conduct themselves accordingly. Each employee also should understand that compliance with the letter of the law, but not the spirit, is insufficient. Even the appearance of unethical or inappropriate behavior could have a negative impact on the Company and its employees.

Conflicts of Interest

Each employee must avoid any investment, interest, or association that interferes or might interfere with the independent exercise of his or her own individual best judgment, and with the employee's obligation to perform his or her responsibilities in the best interests of the Company.

Specifically:

- All employees shall deal with all suppliers, customers, and all other persons doing business with the Company in a completely fair and objective manner without favor or preference based upon personal financial considerations.
- Employees shall not accept from or give to any supplier, customer or competitor any gift or entertainment (except as permitted under the section of the Code on "Gifts and Entertainment").

- No employee shall do business with a close relative on behalf of the Company unless the transaction is on arms length terms and is disclosed, in writing, to the General Counsel of the Company (and so long as the General Counsel determines that the transaction is not inconsistent with the purposes of the Code).
- No employee shall, directly or indirectly, own any financial interest in or hold any employment or managerial position with any firm or corporation which is a competitor of or which does or seeks to do business with the Company if such interest or position may influence any decision that such employee might make in the performance of his or her duties.
- All employees have the affirmative duty to disclose to the corporate officer responsible for their function the existence of any personal, material financial interest in or employment or managerial position with any firm or corporation which is a competitor of or which seeks to do or does business with the Company. Each corporate officer shall review each such case with the General Counsel, and they shall determine whether the existence of such interest or position is or may be in conflict with the Code or otherwise detrimental to the best interests of the Company or any of its operations. If it is determined that such conflict or detrimental effect may occur, such steps as are necessary to correct the situation will be promptly instituted.
- No employee shall take for personal benefit any opportunity of the Company or use Company assets for personal benefit.

Trade Secrets and Confidential Information

The disclosure of trade secrets and confidential information regarding Company business or operations, whether intentional or accidental, can adversely affect the financial stability of the Company and the job security of its employees. Because of this risk of harm to the Company and its employees, no employee shall, without the written consent of the Company, during the term of employment or thereafter, use, directly or indirectly, for the benefit of such employee or others, or disclose to others, any trade secrets or confidential information of the Company or its customers obtained during the course of employment.

Each employee shall promptly report to the appropriate immediate supervisor any attempt by outsiders to obtain trade secrets or confidential information or any unauthorized use or disclosure of trade secrets or confidential information by other employees.

Gifts and Entertainment

No employee shall seek or accept, or offer or give any payments, fees, loans, services or gifts from or to any person or firm as a condition or result of doing business with the Company. The Company's policy is intended to permit gifts of reasonable value, normal business meals and entertainment, the exchange of

customary reciprocal courtesies between employees of the Company and their business associates, and similar customary and reasonable expenditures to promote general business goodwill.

Reasonable expenditures for gifts to, and the entertainment of business contacts by, Company employees may be made if the expenditures have been appropriately authorized and are correctly recorded on the books of the paying entity. However, entertainment or gifts shall not be of substantial monetary value or exceed that value customarily and openly provided by responsible competitors of the Company in the area involved.

With respect to gifts to, and entertainment of government officials or employees, this policy is subject to the provisions of "United States Government Payments" and "Foreign Government Payments".

Accuracy and Integrity of Books and Records

All Company books, records and accounts must accurately reflect the nature of the transactions recorded. All assets and liabilities of the Company must be recorded in the regular books of account. No undisclosed or unrecorded fund or asset shall be established in any amount for any purpose. No false or artificial entries shall be made for any purpose. No payment shall be made, or purchase price agreed to, with the intention or understanding that any part of such payment is to be used for any purpose other than that described in the document supporting the payment. The Code is not limited to accounting and auditing personnel. It applies to all employees, including anyone negotiating and authorizing sales and purchase contracts, submitting expense reports, or preparing or paying invoices.

Political Contributions

No Company funds or services shall be paid or furnished to any political party or any candidate for or incumbent in any public office for political purposes except as expressly permitted below. Although employees are permitted to make personal contributions, the Company shall not reimburse an employee for any such contribution.

United States

Federal Elections:

It is unlawful for the Company to make a contribution or expenditure in connection with any United States federal election, or in connection with any primary election or political convention held to select candidates for any federal office.

State and Local Elections:

No contributions of the Company's funds or resources to state or local officials or candidates shall be made without the prior written approval of the Chairman of the Board and the General Counsel.

Foreign Countries

No deviation from the prohibitions set forth above may be made in any country outside of the United States without the prior written approval of the General Counsel. Approval shall be given only after there has been a determination that such payment or the furnishing of such services is consistent with the laws and highest standards of business ethics and conduct of the country involved.

United States Government Payments

No employee shall, directly or indirectly, give, offer or promise any form of bribe, gratuity, or kickback to a United States official or employee, or any state, local, or municipal official or employee.

Foreign Government Payments

The Company competes on the basis of price, quality, and service. Therefore, it is the policy of the Company to comply with the United States Foreign Corrupt Practices Act, and with all local law applicable to governmental payments. It is the Company's policy that no employee shall, directly or indirectly, pay, give or offer money or anything of value to any foreign government officer, employee or representative, or to any foreign political party or candidate for or incumbent in any foreign political office, in order to assist in obtaining, retaining or directing business. Accordingly, all laws of foreign countries must be strictly observed.

Company Assets

Employees should protect the Company's assets and use such assets only for legitimate business purposes.

Fair Dealing

All employees have an obligation to deal with the Company's customers, suppliers, competitors and employees in a consistently legal, fair, and honorable manner. All contractual arrangements and transactions with third parties, such as distributors, customers, or consultants, must be formalized in a written contract or purchase order. No commission payment shall be made in excess of those required in the ordinary course of business, and such payments shall be made strictly in accordance with the Company's approval process. Neither the Company nor any employee shall make any payment for the benefit of any supplier, customer, distributor, or other person for the purpose of inducing that person to act against the interest of his or her employer.

Business Ethics Policy

The behavior of every employee contributes to the Company's image and its reputation. No employee may take any action or engage in any conduct that would cause the Company or any of its employees embarrassment, that creates the appearance of impropriety, or that otherwise cause or contribute to the Company or its employees being held in disrepute by the general public, its customers, or its employees.

Compliance with Laws

Equal Employment Opportunity Laws

It is the policy of the Company to provide employment opportunities without regard to race, religion, color, national origin, sex, age, ancestry, veteran status, marital status, or disability, or any other reason prohibited by federal, state, or local laws in the United States. Other countries where the Company does business may also have various laws prohibiting types of discrimination. The Company requires all employees to abide by any and all employment and labor laws applicable to the operating unit or office where they work. To that end, it is the policy of the Company to maintain a work environment free from discrimination or harassment of any type. The Company believes that every employee has the right to work in an environment totally free of discrimination, sexual harassment, and ethnic, racial, discriminatory, or sex-oriented joking or epithets. Such conduct does not advance the purpose of our Company. It is also morally wrong and may subject the Company to legal exposure. The Company will take appropriate measures in response to any incidents which are reported. Consequently, any employee who engages in this type of prohibited conduct will be subject to disciplinary action, up to and including termination.

Health and Safety Laws

The Company is committed to providing its employees with a safe and healthy work environment. Employees shall comply with all applicable occupational health and safety laws and regulations.

Antitrust Laws

The Company has consistently maintained a policy of strict compliance with all aspects of antitrust laws. In order to avoid activities that may raise inferences of a violation or result in allegations of a violation of antitrust laws, the following policies shall apply:

- No employee shall enter into any understanding, agreement, plan or scheme which the employee has reason to believe or has been advised by counsel for the Company is illegal under any antitrust law.
- No employee shall exchange or discuss with any competitor information relating to Company prices or pricing policies, distribution policies, supplier or customer selection or classifications, credit policies, or any other similar competitive information.
- No employee shall knowingly participate in any formal or informal meetings with third parties at which agreements or understanding of the type described above are being made or at which information of the type described above is being exchanged or discussed.

Environmental Laws

The Company's goal is to avoid creating any situation that may lead to unacceptable environmental, health or safety hazards for employees, the public, or the environment. Accordingly, all employees of the Company, and all of its facilities and operations, shall comply with all applicable environmental laws, rules, and regulations, including those dealings with emissions to the atmosphere, discharges to surface or underground waters or publicly owned treatment works, drinking water supplies, solid and hazardous waste management, releases of hazardous substances, community emergency response planning, and toxic substances control.

Securities Trading

No employees, regardless of their position with the Company, should purchase or sell, directly or indirectly through third persons, the Company's stock on the basis of material information known to them but not to the public. If a person possesses material non-public information concerning a corporation, it is illegal for the person to trade in securities of the corporation. All such persons shall also similarly abstain from trading in, or recommending the purchase or sale of the securities of any other corporation of which they have obtained nonpublic "material information " as a result of their employment by the Company. "Material information" is information which, if publicly disclosed, could reasonably be expected to affect the market value of a corporation's securities or to influence investor decisions with respect to those securities. Specific examples of "material information" include generally unanticipated changes in annual and quarterly earnings or dividend rates, significant acquisitions, proposed tender offers or stock splits, and senior management changes. Information regarding major new products, contract awards, expansion plans, or significant litigation or regulatory proceedings may also fall in the category of "material information. "

Implementation of the Code

Corporate Compliance Officer

The General Counsel is the Corporate Compliance Officer responsible for implementation of the Company's compliance program, including the Code.

Questions Regarding the Code

An employee who has a question regarding the applicability or interpretation of the Code should direct the question to:

- his or her manager;
- another managerial employee; or
- A Human Resources representative.

Questions may also be directed to the General Counsel either in person, in writing, or by calling.

Reporting of Violations

If an employee knows of a violation or possible violation of the Code, the employee should immediately report it to:

- his or her manager;
- another managerial employee; or
- A Human Resources representative.

Every employee has free, unlimited access to the Company's third-party anonymous and confidential incident reporting system, MySafeWorkplace®. This service is available 24 hours a day, 7 days a week via a toll free number (800-461-9330), or the internet (www.MySafeWorkplace.com). An employee may also report a violation or possible violation of the Code directly to the General Counsel. Any manager or Human Resources representative receiving such a report must, when appropriate, immediately advise the General Counsel. Written reports should be addressed to the General Counsel and marked *"CONFIDENTIAL-TO BE OPENED BY THE GENERAL COUNSEL ONLY."* There shall be no reprisals for good faith reporting of actual or possible violations of the Code.

Investigation of Violations

All reported violations of the Code will be promptly investigated by the Company and will be treated confidentially to the extent consistent with the Company's interests and its legal obligations. All investigations by the Company of wrongdoing will be directed by the General Counsel. Employees are expected to cooperate in the investigation of an alleged violation of the Code. If the result of the investigation indicates that corrective action is required, the Company will decide what steps it should take, including, when appropriate, legal proceedings, to rectify the problem and avoid the likelihood of its recurrence.

Discipline for Violations

Disciplinary actions may be taken for:

- Authorization or participation in actions that violate the Code.
- Failure to report a violation of the Code.
- Refusal to cooperate in the investigation of a violation of the Code.
- Failure by a violator's supervisor(s) to detect and report a violation of the Code, if such failure reflects inadequate supervision or lack of oversight.
- Retaliation against an individual for reporting a violation of the Code.

Disciplinary action may, when appropriate, include termination.

Acknowledgment

- The Company requires that all employees sign an acknowledgment confirming that they have received and read the Code and understand it.