



**Code of Business Conduct and Ethics**  
**for AK Steel Directors, Officers and Employees**

**I. Introduction**

It is a fundamental policy of this Company that its Employees are expected to comply with the law and to conduct themselves in an honest and ethical manner in all of their dealings on behalf of and with the Company. The AK Steel Code of Business Conduct and Ethics is intended to serve as a guide to every Employee of the Company and to assist him or her in applying appropriate legal and ethical principles which will ensure compliance with this policy. The Company expects all of its Employees to support this policy and encourages any Employee who believes that it is not being followed to report violations immediately to an appropriate Director, officer or manager of the Company. The Company will not condone illegal or unethical conduct in connection with the business of the Company. The Company has established an Ethics and Compliance Hotline to facilitate the reporting of such conduct.

The AK Steel Code of Business Conduct and Ethics is part of a broader set of specific Company policies relating to the ethical and legal standards of conduct to be followed by Employees of the Company. Its purpose is to articulate the general principles underlying those more specific policies. Where appropriate, the Code makes reference to specific policies which help implement its general principles. Questions concerning this Code or any of the referenced specific policies should be directed to the Company's Legal Department.

**II. Definitions**

- A. For purposes of this Code of Business Conduct and Ethics, the term "AK Steel" and, when capitalized, the term "Company" shall include AK Steel Holding Corporation and AK Steel Corporation, as well as their subsidiaries and affiliates.
- B. For purposes of this Code of Business Conduct and Ethics, the term "Employee," when capitalized, shall refer to all officers and other employees of the Company, and for ease of reference only, also to non-employee Directors.
- C. For purposes of this Code of Business Conduct and Ethics, the term "Conflict of Interest," when capitalized, shall mean a circumstance where an Employee's personal interests in any way interfere with the Employee's judgment and/or objectivity in the performance of his or her duties, or are in any way contrary to the best interests of the Company.

**III. Conflicts of Interest**

- A. **Statement of Principles**  
The Employees of AK Steel should at all times endeavor to exhibit and promote the highest standards of honest and ethical conduct. This includes the responsibility to avoid Conflicts of Interest and to provide a means for actual and potential Conflicts of Interest to be promptly reported to, and appropriately investigated by, the Company.

**B. Specific Policies Implementing These Principles**

The Company has several policies which are intended to promote ethical conduct and avoid Conflicts of Interest. These policies include:

1. **Code of Ethics for Principal Officers**  
Pursuant to this Code, the Principal Officers of the Company have the responsibility to, among other things, timely report, and encourage any employee under their supervision to timely report, any actual or apparent Conflict of Interest between their personal and professional relationships to the Company's General Counsel or to the Audit Committee of the Board of Directors. They further have a responsibility to co-operate fully with the General Counsel and/or the Audit Committee in any investigation of such a report
2. **Conflicts of Interest Policy for all Employees**  
Pursuant to this policy, all Employees of the Company have an obligation to be entirely free from the influence of any Conflicts of Interest when they represent the Company in any business dealings or make any recommendations which may influence an action of the Company. This policy includes a strict prohibition of gifts in the form of cash, stocks, bonds or similar items and bars acceptance of any other form of payment, gift or entertainment which may tend to influence transactions between the Company and any person or enterprise.
3. **Policy Regarding Breaches of Employee Honesty**  
Pursuant to the policy, a fundamental obligation of every Employee of the Company is honesty in safeguarding funds and other property of the Company. This policy requires, among other things, that any embezzlement or other form of theft must be reported to an appropriate officer or manager if it is discovered or even suspected.

**IV. Corporate Opportunities and Interests**

**A. Statement of Principles**

The Employees of the Company owe a duty to the Company to take appropriate steps to advance the proper and legitimate interests of the Company when the opportunity arises. It therefore is inappropriate for any Employee to:

1. use corporate property, information or position for personal gain;
2. usurp for their personal benefit an opportunity which is offered or intended to be made available to the Company;
3. compete against the Company.

**B. Specific Policies Implementing These Principles**

The Company's Conflicts of Interest Policy includes specific provisions that are intended to protect against the improper use of corporate opportunities. These provisions explicitly bar Employees from, among other things:

1. being associated in any capacity with any person or enterprise which is a competitor of the Company;
2. using Company assets for their own personal benefit; or
3. taking advantage of an opportunity available to the Company which was learned about in the course of employment with the Company.

## **V. Confidentiality**

### **A. Statement of Principles**

The Employees of the Company owe a duty to the Company to maintain the confidentiality of trade secrets, proprietary and other non-public information entrusted to them by the Company. Employees shall not disclose such information to anyone outside the Company, either during or after service with the Company, except with the express written consent of the Company, or as may be otherwise required by law.

### **B. Specific Policies Implementing These Principles**

The Company's Conflicts of Interest Policy includes specific provisions that are intended to protect the Company's confidential information. These provisions explicitly bar Employees from, among other things, using or disclosing to any third party without proper authorization any confidential, proprietary or trade secret information.

## **VI. Fair Dealing**

### **A. Statement of Principles**

Each Employee of the Company should endeavor to deal fairly with the Company's customers, vendors, governmental regulators and other Employees. Employees should not take, or attempt to take, unfair advantage of the Company's customers, vendors, governmental regulators or other Employees through dishonest or unethical conduct, abuse of confidential information, misrepresentation or concealment of material facts, or other improper conduct.

### **B. Specific Policies Implementing These Principles**

The Company has several policies which are intended to promote such compliance. These policies include:

#### **1. Equal Employment Opportunity Policy**

It is the policy of the Company to recruit, hire, train, promote and transfer persons in all job classifications without regard to race, color, religion, national origin, age, military status, disability, or sex, except where sex is a bona fide occupational qualification. Harassment is not tolerated in the workplace and violators are subject to appropriate discipline. All employment and promotional decisions will be based only on valid job requirements and will be made in accordance with the principles of Equal Employment Opportunity. Reasonable accommodation of religious practices and disabilities will be granted if such accommodation can be achieved without undue hardship. All other personnel actions, such as compensation, benefits, transfer, layoffs, returns from layoff, discipline, discharges, company sponsored training programs, educational assistance, and social and recreational programs, will be administered without regard to race, color, religion, sex, national origin, military status, disability or age. The Company will continuously monitor all personnel actions to insure that they are nondiscriminatory.

2. **Policy Regarding Harassment and Workplace Violence**  
The Company prohibits all forms of unlawful employment discrimination in accordance with state and federal law, including sexual harassment and discriminatory harassment directed at persons because of their sex, race, color, religion, national origin, age or disability. The Company further prohibits threats, threatening behavior, or acts of violence against employees or other individuals by anyone on Company property or off Company property if the prohibited conduct relates to an individual's employment with the Company. Such misconduct, regardless of whom originates it or participates in it, and regardless of whether it is oral, written, or physical conduct, must be reported promptly and will be investigated. If found to have occurred, appropriate corrective action will be taken up to and including termination of the offending individual's employment. Criminal activity may also be referred to the appropriate authorities, which may result in arrest and prosecution.

## **VII. Protection and Proper Use of Company Assets**

- A. **Statement of Principles**  
The Employees of the Company each have a personal responsibility to protect the assets of the Company from misuse or misappropriation. The assets of the Company include both tangible items (such as equipment, facilities and products) and intangible items (such as intellectual property, trade secrets, proprietary and other non-public information). The Company's assets may only be used for business purposes on behalf of the Company. Employees may not remove, dispose of, or destroy an asset or anything else of value belonging to the Company without the Company's consent.
- B. **Specific Policies Implementing These Principles**  
The Company has several policies which are intended to promote such compliance. These policies include:
  1. **Conflicts of Interests Policy**  
The Company's Conflicts of Interest Policy includes specific provisions that are intended to protect and ensure proper use of the Company's assets. These provisions explicitly bar Employees from, among other things, using Company assets for their own personal benefit.
  2. **Policy Regarding Breaches of Employee Honesty**  
Pursuant to the policy, a fundamental obligation of every Employee of the Company is honesty in safeguarding funds and other property of the Company. This policy requires, among other things, that any embezzlement or other form of theft must be reported to an appropriate officer or manager if it is discovered or even suspected.

## **VIII. Compliance with Laws, Rules and Regulations**

- A. **Statement of Principles**  
The Employees of the Company should comply with all applicable laws, rules and regulations.

B. Specific Policies Implementing These Principles

The Company has several policies which are intended to promote such compliance. These policies include:

1. Code of Ethics for Principal Officers  
Pursuant to this Code, the Principal Officers of the Company have the responsibility to supervise the establishment of, and to support, appropriate procedures and policies intended to promote compliance by themselves and all other AK Steel employees with applicable governmental laws, rules and regulations. They further have a duty to timely report, and encourage any employee under their supervision to timely report, any violations of applicable governmental laws, rules or regulations to the Company's General Counsel or to the Audit Committee of the Board of Directors and to co-operate fully with the General Counsel and/or the Audit Committee in any investigation of such a report.
2. Policy Regarding Compliance with Antitrust Laws  
This policy requires that Employees of the Company comply fully with all antitrust laws. Among other things, the policy prohibits agreements or understandings with competitors to fix, maintain or stabilize prices. It provides guidelines for permissible relationships and conduct with respect to competitors, customers and suppliers.
3. Policy Regarding Insider Trading and Compliance with Securities Laws  
This policy requires all Employees of the Company to comply with all federal securities laws in effect at the time of any trade. Among other things, it bars any Employee (and any related person living in his or her household) who has material, non public information relating to the Company from buying or selling the Company's securities until two days after such information becomes public or ceases to be material. The policy imposes additional trading restrictions on the Company's Directors, Officers and other key personnel. It further provides for Company-imposed sanctions up to and including dismissal for a violation of the policy, whether or not there has been a violation of federal insider trading laws.
4. Policy Regarding Improper Business Payments  
This policy applies to both domestic and international business and prohibits, among other things, gifts, bribes, rebates or any other method of payment or money or anything of value to illegally influence people, companies or governments, including governmental agencies and political parties, in their dealings with the Company.
5. Policy Regarding Financial Reporting  
This policy requires all management level Employees of the Company to ensure that all financial and other books and records relating to their area of operations are correct and to enter on such books all assets, liabilities, payments and disbursements in accordance with generally accepted accounting practices and policies of the Company.

6. **Policy Regarding Political Contributions**  
Pursuant to this policy, the Company encourages participation by its Employees in governmental affairs at the local, state and federal level, but requires that all such participation must be voluntary. The policy discourages any action which could be construed to infringe upon an individual's freedom to act in this area. The policy generally prohibits the use of Company funds to make political contributions, directly or indirectly, to any federal, state or local political candidate, party or campaign.

**IX. Encouraging Reporting of Illegal or Unethical Behavior**

**A. Statement of Principles**

Each Employee of the Company has a responsibility to promptly report any circumstances that he or she believes in good faith may constitute illegal and/or unethical behavior, including but not limited to any violations of this Code. Violations or suspected violations of this Code should be reported to the Company's General Counsel or to its Board of Directors. Violations or suspected violations of specific Company policies referred to in this Code should be reported in accordance with the provisions of those policies.

Violations or suspected violations of this Code or any Company policy also may be reported using the Company's Ethics and Compliance Hotline. The Company has established such a Hotline in accordance with Section 301 of the Sarbanes Oxley Act of 2002. The Hotline is available 7 days a week, 24 hours a day, to report unethical or illegal activity, including questionable accounting entries, internal accounting controls or auditing matters, fraud, falsification of company records, release of proprietary company information, theft, insider trading, improper loans, conflicts of interest, and retaliation against a person who reports any abuse of the company's policies or guidelines. Employees using the Hotline may make their report on an anonymous basis and will be protected from any form of retaliation for making a report they believe in good faith is truthful.

**B. Specific Policies Implementing These Principles**

The Company has several policies which are intended to encourage the reporting of illegal or unethical behavior. These policies include:

**1. Code of Ethics for Principal Officers**

Pursuant to this Code, the Principal Officers of the Company have the responsibility to timely report, and encourage any employee under their supervision to timely report, to the Company's General Counsel or to the Audit Committee of the Board of Directors any violation of the Code, including any actual or apparent conflicts of interest, any material deviations from the Company's disclosure and reporting requirements, and any violations of applicable governmental laws, rules or regulations. They further have a duty to co-operate fully with the General Counsel and/or the Audit Committee in any investigation of such a report.

2. **Equal Employment Opportunity Policy**  
Employees who believe that the Company Equal Employment Opportunity Policy has been violated are required to immediately report the violation to any of the following: the Human Resources Manager at the Employee's work location, the Manager of Industrial Relations at the Employee's work location, or the Corporate Human Resources Department. The policy prohibits retaliation against individuals whom in good faith report violations of the policy or cooperate in an investigation.
3. **Policy Regarding Harassment and Workplace Violence**  
Conduct in violation of this policy, regardless of who originates it or participates in it, and regardless of whether it is oral, written, or physical conduct, must be reported promptly to any of the following: the Human Resources Manager at the Employee's work location, the Manager of Industrial Relations at the Employee's work location, or the Corporate Human Resources Department. The policy prohibits retaliation against individuals whom in good faith report violations of the policy or cooperate in an investigation.

**X. Changes and Waivers**

Changes to and waivers from the provisions of this Code of Business Conduct and Ethics may be made only by the Board of Directors of the Company in writing and will be disclosed as required under applicable laws, rules and regulations.

**XI. No Third Party Rights**

This Code of Business Conduct and Ethics is a statement of fundamental principles and procedures applicable to the Company's Employees. It is not intended to, and shall not, create any rights, claims or causes of action in any third parties, including any vendors, customers, competitors, shareholders, creditors or employees of the Company.

Approved by the Board of Directors of AK Steel on March 4, 2004.