

## Code of Business Conduct and Ethics for Directors, Officers and Employees

Kaydon Corporation (the “Company”) is committed to the highest standards of ethical business conduct. In addition to its Code of Ethics for the Chief Executive Officer and Senior Financial Officers, Corporate Integrity Program for management employees, and Code of Conduct for all Company employees and staff, the Company has adopted this Code of Business Conduct and Ethics (the “Code of Conduct”) as a set of guidelines pursuant to which our directors, officers and employees (“Covered Individuals”) should perform their duties. The Code of Conduct is intended to deter wrongdoing and to promote adherence to the standards set forth below.

- In carrying out their duties and responsibilities, Covered Individuals should act with honesty and integrity, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

A “conflict of interest” can occur when an individual’s personal interest is adverse to, or may appear to be adverse to, the interests of the Company as a whole. Conflicts of interest also arise when an individual, or a member of his or her immediate family, receives improper personal benefits as a result of his or her position with the Company. Service to the Company should never be subordinated to personal gain and advantage. If a Covered Individual becomes aware of a personal conflict of interest, or is concerned a conflict of interest might develop, he or she is required to discuss the matter with their manager, supervisor or appropriate person; Company officers should confer with the Chairman of the Audit Committee.

- Covered Individuals are prohibited from:
  - # Taking for themselves personally opportunities related to the Company’s business;
  - # Using the Company’s property, information or position for personal gain; or,
  - # Competing with the Company for business opportunities.
- Covered Individuals should maintain the confidentiality of information entrusted to them by the Company and other confidential information about the Company, its business, customers of suppliers, that comes to them, from whatever source, except when disclosure is authorized or legally mandated.
- Covered Individuals shall deal fairly with all customers, suppliers, competitors and employees of the Company. No Covered Individual may use manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice to take unfair advantage of any other party. Nothing contained in this Code of Conduct, however, shall alter, change or modify any valid legal rights and obligations of the Company or any employee, including but not limited to the “at will” status of all employees.
- Covered Individuals shall protect and safeguard the Company’s assets and ensure their efficient use. Company assets shall be used for legitimate business purposes. Covered Individuals shall endeavor to take appropriate measures to safeguard Company assets from theft, carelessness and waste.

- In carrying out their duties and responsibilities, Covered Individuals should comply, and to cause the Company to comply, with applicable governmental laws, rules and regulations, including all laws relating to insider trading. In addition, each Covered Individual shall promptly bring to the attention of their manager, supervisor or appropriate person any information he or she may have concerning evidence of a material violation of the securities or other laws, rules or regulations applicable to the Company and the operation of its business, by the Company or any agent thereof. Company officers should bring such matters to the attention of the Chairman of the Audit Committee.
- Covered Individuals should promote ethical behavior and create a culture of ethical compliance. Covered Individuals should foster an environment in which the Company:
  - # Encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation;
  - # Encourages employees to report violations of laws, rules and regulations to appropriate personnel; and
  - # Informs employees that the Company will not allow retaliation for reports made in good faith.
- “Executive Officers” (i.e., officers or employees who have been designated as such by the Board of Directors) and Directors of Kaydon must disclose to the Chairman of the Audit Committee (or, in the case of the Chairman of the Audit Committee, he or she must disclose to the Lead Director) the possible occurrence of any transaction in which the Company will be a participant and which would be required to be disclosed in the Company’s proxy statement under current SEC proxy regulations because the director, executive officer or related person has a direct or indirect material interest in the proposed transaction. Disclosure must be made prior to the time the proposed transaction is approved or authorized on behalf of Kaydon. Upon such disclosure, the proposed transaction will be reviewed by a committee comprised of two non-employee directors none of whom shall have any direct or indirect material interest in the proposed transaction, to determine whether the proposed transaction is fair to the Company. If this committee determines that the transaction would not be fair to the Company, Kaydon will not enter into the proposed transaction.
- Covered Individuals are expected to adhere to the Code of Conduct. The Company shall determine appropriate actions to be taken in the event of violations of the Code of Conduct by any Covered Individuals. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code of Conduct.
- Any waiver of any provision of this Code of Conduct for an executive officer or director of the Company may only be granted by the Board of Directors or duly authorized Committee of the Board. Any such waiver shall be appropriately disclosed to shareholders. Any material amendment to any provision of this Code of Conduct shall be appropriately disclosed.