

CODE OF BUSINESS CONDUCT

Introduction

This booklet contains statements that have been developed to help each of us, as employees of the Steel Technologies Inc. and its subsidiaries or affiliates (collectively, the “Company”), preserve and strengthen the legal and ethical standards of our Company. All employees have an obligation to read, understand, and follow these standards of business conduct. The responsibility to be informed and to comply with these policies is yours personally, and cannot be waived or impaired by anyone.

Any employee who knows of any accounting or audit activity which violates Code Statement Number 1 (below), should immediately contact Fulcrum Financial Inquiry at 1-800-705-1929. Any employee who knows of any activity which violates, or could violate, the law or any of the other code statements, should immediately report such activity to the Code Compliance Officer (John Baumann) at 1-800-828-2170.

At the end of this booklet there is a Code Signature Page, which should be completed and returned to the Code Compliance Officer. If applicable, make note of any concerns or potential conflicts you have on that form.

Code Statement Number 1: Employee Complaint Procedure for Accounting and Auditing Matters

Steel Technologies Inc. and its subsidiaries or affiliates (collectively, the “Company”) are committed to compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. Any employee of the Company may submit a good faith complaint regarding accounting or auditing matters without fear of retaliation of any kind. The Audit Committee of the Company’s Board of Directors will oversee treatment of employee concerns in this area. In order to facilitate the reporting of employee complaints, the Company’s Audit Committee has established the following procedures for (a) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters (“Accounting Matters”) and (b) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Receipt of Employee Complaints: Employees with concerns regarding Accounting Matters may report their concerns to Fulcrum Financial Inquiry, an independent third party. Employees may forward complaints on a confidential or anonymous basis at the following address, telephone number, E-mail, facsimile, or by web-based form:

Address:	Fulcrum Financial Inquiry 1000 Wilshire Blvd., Suite 1650 Los Angeles, CA 90017
Phone:	(800) 705-1929
Facsimile:	(213) 787-4141
E-mail:	whistle@fulcruminquiry.com
Web-based:	www.fulcrumfinancial.com/steeltech

Matters Covered by These Procedures: These procedures are for employee complaints relating only to questionable accounting or auditing matters, including, without limitation, the following: (a) fraud or deliberate error in the preparation, evaluation, review or audit of any Company financial statement; (b) fraud or deliberate error in the recording and maintaining of the Company’s financial records; (c) deficiencies in, or noncompliance with, the Company’s internal accounting controls; (d) misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the Company’s financial records, financial reports or audit reports; or (e) deviation from full and fair reporting of the Company’s financial condition.

Treatment of Complaints: (a) Upon receiving a complaint, Fulcrum Financial Inquiry will (i) determine whether the complaint actually pertains to Accounting Matters and (ii) when possible, acknowledge receipt of the complaint to the sender; (b) Complaints, relating to Accounting Matters, will be, with oversight by the Audit Committee, communicated to, and reviewed by, the Code Compliance Officer and such other persons as the Audit Committee determines to be appropriate; (c) Confidentiality will be maintained to the fullest extent possible, consistent with the Company's legal responsibilities and the need to conduct the investigation; (d) Prompt and appropriate corrective action will be taken when, in the judgment of the Audit Committee, it is warranted; and (e) The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of the employee in making a good faith complaint regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002. Complaints, which do not relate to Accounting Matters, will be forwarded by the Code Compliance Officer to the Company's Vice President of Human Resources

Reporting and Retention of Complaints and Investigations: (a) Fulcrum Financial Inquiry will maintain a log of all complaints (tracking their receipt, acknowledgement of receipt of the complaint to the sender, and all communications with the Code Compliance Officer) and shall prepare a periodic summary report for the Audit Committee and (b) The Code Compliance Officer will maintain a log of the investigation conducted. Complaints determined by the Code Compliance Officer to be material in nature will be reported to the Chair of the Audit Committee immediately. Copies of complaints and the log will be maintained in accordance with the Company's document retention policy.

Code Statement Number 2: Equal Employment Opportunity and Policy Against Unlawful Discriminatory Harassment

The Company has a long-standing policy of hiring and promoting individuals who best meet the requirements of available positions and who have the best potential for advancement. It is our policy to provide Equal Employment Opportunity in full compliance with, among other laws, the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Rehabilitation Act of 1973, Vietnam Era Veterans Readjustments Assistance Act of 1974, and the Americans with Disabilities Act of 1990.

In keeping with this policy, applicants for employment are recruited, hired, selected for training, transferred, upgraded, granted privileges of employment, laid off, demoted, or discharged without regard to their race, color, religion, gender (sex), national origin, age, disability, or veteran status. This policy is based upon moral commitments as much as legal requirements. The Company supports the right of all employees to work in an environment free of discrimination and discriminatory harassment. Discrimination or discriminatory harassment on the basis of race, color, religion, gender (sex), national origin, age, disability, or veteran status is strictly prohibited and will not be tolerated in the workplace.

While it is not easy to define precisely what discriminatory harassment is, it includes any conduct such as intimidation, ridicule or insult that has the effect of (1) unreasonably interfering with an individual's work performance; (2) creating an intimidating, hostile or offensive work environment; or (3) otherwise adversely affecting an individual's employment opportunities. Examples of discriminatory harassment include conduct that is based on an individual's race, color, religion, gender (sex), national origin, age, disability, or veteran status, such as repeated verbal abuse; circulating written material that denigrates or shows hostility or aversion toward an individual; or inappropriate jokes or slurs. Such conduct is specifically prohibited.

The Company's position is that sexual harassment is a form of discriminatory harassment which undermines the integrity of the employment relationship. No employee – either male or female – should be subjected to unsolicited or unwelcome sexual overtures or conduct, either verbal or physical. Sexual harassment does not refer to occasional compliments of a socially acceptable nature. It refers to behavior that is not welcome, that is personally offensive, that debilitates morale, and, therefore, interferes with work effectiveness. Sexual harassment is specifically prohibited as unlawful and against Company policy.

Any employee found to have engaged in unlawful discrimination or discriminatory harassment, including sexual harassment, will be subject to disciplinary action, up to and including, immediate termination. It is the policy of this Company to take any allegations of unlawful discrimination and discriminatory harassment seriously, and to investigate and respond to any proof of misconduct with appropriate remedial or disciplinary action. All complaints will be handled in a timely and as confidential a manner as possible. The Company will take steps to protect employees filing complaints or assisting in the investigation from coercion, intimidation, retaliation, interference or discrimination.

EEO/DISCRIMINATION/HARASSMENT COMPLAINTS

EMPLOYEES WHO HAVE ANY SUCH COMPLAINTS SHOULD REPORT SUCH CONDUCT TO A SUPERVISOR. IF THIS IS NOT APPROPRIATE OR YOU HAVE NOT RECEIVED A SATISFACTORY RESPONSE TO A COMPLAINT WITHIN A FEW DAYS OF THE COMPLAINT, IMMEDIATELY CONTACT HUMAN RESOURCES AND THE CODE COMPLIANCE OFFICER AT 1-800-828-2170.

Code Statement Number 3: Confidential Information

One of our Company's most valuable assets is the information we gather and develop in the running of our business, some of which is sensitive and confidential. All Company employees have an obligation to secure and protect confidential information from disclosure to the public or anyone not authorized to receive it. Examples of confidential information include:

- The Company's strategic business plans;
- Information on future or pending mergers, acquisitions, or sales involving Company business;
- New expansion plans and specifications;
- Confidential information concerning applicants for insurance or credit;
- Confidential personnel information about an employee; and/or
- Customer or supplier, cost and pricing information.

Never discuss confidential information with anyone other than those within the Company who have a need to know this information for the performance of their job.

Information concerning our customers, including applicants for insurance or credit, cannot be disclosed to others unless they are specifically authorized by the appropriate Company personnel to receive it. We must treat information about our customers as we would treat such information about ourselves and our fellow employees – with the utmost care and sensitivity to the potential consequences of revealing that information.

It is important to protect at all times information that is entrusted to us. Documents containing sensitive information should be handled carefully during working hours and must be properly secured at the end of the day. This includes data stored on computer systems, mailing lists, customer lists, product specifications, marketing strategy, and other such documents.

Code Statement Number 4: Technological Resources

Our business is highly dependent on a growing number of computer and electronic information technologies. Our Technology Policy requires all employees to take steps to secure and protect our technological resources from unauthorized access, use, modification, copying or destruction.

- All technological resources provided by the Company, including computers, computer files and electronic information, such as voice mail and electronic mail, are Company property. All means of access to technological resources will be available to the Company at all times. In addition, the Company reserves the right to enter, search and monitor all technological

- resources of the Company, including computer files and electronic information, without notice, and at any time, for business purposes such as, but not limited to, investigating theft, disclosure of confidential business information or proprietary information, personal abuses of the system or monitoring work flow or productivity.
- All passwords, telephone numbers and other means of access to computer resources and other electronic communication are Company property and highly confidential. Holders of such means of access are responsible for the consequences of disclosure to any unauthorized persons.
 - Misuse of the Company's technological resources in any manner is strictly prohibited. Technological resources of the Company are not to be used in any way that may be disruptive or offensive to others not to be used for outside business activities, and are to be used for Company business purposes only.
 - All technological resources that are not under a license agreement with a third party or a product of those resources are proprietary to the Company and must not be removed, copied or disclosed unless specifically authorized by appropriate Company personnel.
 - All software and hardware subject to a license or lease agreement must be used in accordance with the license or lease agreement. No software or related documentation licensed to the Company or its business units may be copied or shared with anyone else unless explicitly authorized in writing by the licensor. In cases involving multiple use of a single product, we must use the software only in accordance with the license agreement.
 - No unauthorized software, hardware or any type of telecommunications device may be installed on or connected to any part of our communications networks, computers, terminals or lines. Interconnection of Company computing resources with any other outside public or private data networks and data repositories will be restricted by adherence to authorized Company security standards governing protection of its information assets. Contact your business group information systems department for standards and rules governing network security.
 - As users of technological resources owned by the Company, we are all responsible for ensuring that all technological resources are adequately protected from viruses, misuse, loss or destruction. This responsibility includes providing adequate physical protection, regularly using available virus scan software, compliance with all rules regarding password protection, and maintaining appropriate backup and recovery procedures. Contact your business group information systems department for standards and rules governing systems security.

Code Statement Number 5: Business Practices

Our Company and its employees are required to comply with all laws and regulations relating to antitrust, anti-boycott, trade practices, political contributions, income taxes, corporate governance and compliance, and the environment.

Antitrust laws are designed to promote competition in open markets. In general, antitrust laws prohibit competitors from entering into any agreement or understanding that restricts competition. Certain activities are considered to be illegal without further inquiry. These activities include:

- Price fixing agreements between competitors to raise, lower or stabilize prices;
- Dividing trade territories among competitors; and
- Group boycotts and agreements between competitors to refuse to deal with certain customers or other competitors or customers.

Most violations of antitrust laws arise from contacts with competitors. Accordingly, we must always exercise caution when dealing with competitors. Even discussing prices with a competitor can, under certain circumstances, be considered an unlawful understanding or agreement. We must not engage in any communications with competitors that could, or even appear to, result in boycotting of competitors.

Trade associations present unique problems since they often involve meetings of competitors. If you attend a trade association meeting that you feel touches on any of the above areas, immediately attempt to halt the discussion. If this does not work, leave the meeting and report the incident to your Law Department so that an account of the incident can be prepared. When you object to the discussion and leave the meeting, let the others in attendance know the reason for your objection. This can protect you and the Company from any claim of participation in unfair trade practices. If you have any questions concerning any business practice, please contact the Code Compliance Officer at 1-800-828-2170.

Code Statement Number 6: Use of Company Funds

The Company's funds should be used only for ethical and lawful business purposes. Certain basic rules, based on applicable federal and state laws, serve as a guide to help us manage company funds. You shall **never**:

- Make payments, monetary or otherwise, regardless of size, to government officials personnel, including gifts above a nominal value, or entertainment of greater than usual or customary expense.
- Make offers or payments, monetary or otherwise, to foreign officials, foreign political parties, party officials or candidates for office, for the purpose of obtaining, retaining or directing business.
- Maintain or establish, for any purpose, any undisclosed or unrecorded funds or assets of the Company.
- Make or approve any payment on behalf of the Company if you know it will or might be used for something other than the stated purpose.

Code Statement Number 7: Conflicts of Interest

All employees of the Company have an ethical and legal responsibility to put the interests of the Company ahead of any other business interest that they may have as individuals. A conflict of interest exists when other business interests compete with an employee's duty to serve the interests of the Company. All employees are encouraged to avoid situations in which a conflict of interest could arise, and to report potential conflicts should avoidance be impracticable. For example:

- No employee shall serve any business interest that competes, directly or indirectly, with the interests of the Company.
- Reasonable and appropriate gifts or entertainment must be disclosed to, and approved by, the employee's supervisor.
- At no time shall employees use the Company's technological resources or other property to promote or conduct outside business activities; nor should an employee's outside business activities compete or interfere with an employee's performance and duty to the Company.

It is important for all employees to recognize the potential for conflicts of interest to arise. Even the perception of a conflict of interest can cause harm to the Company and the employee(s) involved. No matter what the situation, all employees are encouraged to discuss any real or potential conflict of interest with their supervisor so that together they may deal with the situation.

Statement Number 8: Insider Trading

The Company encourages ownership of Company stock by employees. As employees, however, we must exercise care when we buy and sell Company stock. Because the Company stock is publicly traded, we are required to provide full and fair public disclosure on a timely basis of any activities that may affect its value.

In the course of our work, we may have access to material information not generally known to the public. This information is considered "inside information" and must be kept confidential. To use this inside

information for personal gain or provide such information to others for their use before such information is disclosed to the public is illegal. The following guidelines have been developed to help us all comply with the rules regarding inside information:

- Inside information should be shared only with others inside our Company whose jobs require them to have access to it. Do not leave inside information where those without need to know this information may see it.
- Never disclose sensitive or non-public information to people outside the Company.
- Never buy or sell Company securities, or direct someone else to, when you have inside information that has not been made public. After the information has been made public, you must wait until the public has had time to react to it – approximately two full days following disclosure – before taking any actions on behalf of yourself or instructing others to take action.
- Never trade in another company’s securities if you believe that the Company’s plans or activities will affect its value.
- In any case in which there is doubt as to whether you should buy or sell the Company stock, the decision should be against making the sale or purchase.

Code Statement Number 9: Reporting Business Irregularities

Each of us is obligated to embrace honesty and integrity in every aspect of the jobs we perform. Company employees have an ethical and legal responsibility to report any and all business irregularities that come to their attention.

This policy provides guidance for employees to report an actual or suspected “irregularity” committed by another employee, or by an outsider. An “irregularity” is an intentional distortion, through either misrepresentation or omission, of the Company’s business records, or other Company information, or a misappropriation of Company assets.

An irregularity includes any of the following:

- Misrepresenting or omitting the true effects of events or transactions that may lead others to the wrong conclusions or actions.
- Making false, misleading or incomplete statements to our accountants, internal auditors or independent auditors concerning the preparation or audit of Company financial statements.
- Manipulating, falsifying or altering Company applications, expense reports, forms, books, records or documents.
- Omitting significant information from records or documents.
- Recording transactions without substance.
- Intentional misapplication of accounting principles.
- Using Company assets for personal benefit or the benefit of a third party.
- Committing fraud, embezzlement or theft involving Company property.

Code Statement Number 10: Business with the Company

There may be some occasion when it is in the best interest of the Company for the Company to obtain a service or product from an employee, a relative of an employee, or a company owned, in whole or in part, by an employee or their relative (other than shares of publicly traded securities). Likewise, there may be some occasion when it is in the best interest of the Company for the Company to sell a service or product to such a person or entity. The decision to transact such business must be made by a management level employee (not the related employee). Any time an employee, that employee’s relative, or such an entity intends to transact business with the Company, the employee is obligated to make a written disclosure of all relevant facts to the Code Compliance Officer prior to conducting the transaction. In addition, all such transactions from the previous year are again required to be identified on the attached Code of Business Conduct Signature Page.

Conclusion

This Code on Business Conduct provides an excellent structure for each of us to preserve and strengthen the ethical standards of our Company.

If any inconsistencies, perceived or otherwise, exist between the Code on Business Conduct and other documents, statements or actions by supervisory personnel, the Code will control.

The Code of Business Conduct Signature Page should be completed and returned to the Code Compliance Officer (John Baumann) at the corporate office. Violations of any of these codes will subject the employee to disciplinary action, up to and including, termination. Actions, which also violate the law, may result in fines, and possibly criminal liability being assessed against the employee and the Company. For these reasons, strict compliance and disclosure of potential violations and conflicts to the Code Compliance Officer is required.

If, at any time, you become aware of any undisclosed conflicts or prior violations of the Code of Business Conduct, you are required to immediately contact the Code Compliance Officer.

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