



## **Business Ethics and Conduct Policy**

### **1.0 SCOPE**

This policy applies at all worldwide locations and to all employees, directors, and officers, of Trimble Navigation Limited ("Trimble" or the "company") and its subsidiaries and affiliate companies.

### **2.0 POLICY STATEMENT**

Every employee, director, and officer of the company must follow the highest ethical standards and exercise proper judgment in all business dealings. Trimble's Chief Executive Officer, Chief Financial Officer, Compliance Officer and other senior managers are committed to creating a culture of ethical business conduct, maintaining a work environment that encourages employees to raise concerns, and promptly addressing compliance concerns. Trimble is an "open door" company. Employees are encouraged to raise concerns with their managers. If a concern is not being addressed by an employee's immediate manager, an employee can seek out a senior manager for action.

As part of a global company, employees, officers and directors must comply with all laws, regulations and company policies that govern their work. Laws and regulations may differ, depending on the country or specific location in which the company operates. Because Trimble is a company with significant operations in the United States and is publicly traded on a US stock exchange, some United States laws apply to activities and operations outside the United States, including subsidiaries and joint ventures located outside the United States.

Company policies and the standards of professionalism and ethics apply to all employees. No excuse or pressure justifies breaking the law or these standards. Consultants, representatives, agents, contractors, or other third parties may not be used to break the law or circumvent company policies. In some countries, certain conduct is banned, but the ban is currently not enforced. This does not excuse any illegal or unethical action by employees.

Abiding by this Policy and other company policies and avoiding even the appearance of impropriety is essential to the company's mission of maintaining the highest standards of business ethics.

### **3.0 SPECIFIC POLICIES**

All those covered by this policy are expected to:

- Read and be familiar with this policy
- Be familiar with all relevant laws and regulations that apply to their area of responsibility
- Be aware of situations where questionable business conduct may arise and avoid those situations
- Respect the conduct policies of Trimble's customers
- Consult with the legal department or the Compliance Officer if you have any questions.

The company has policies and procedures for specific parts of its business which can be found on the company intranet. While this conduct policy addresses a number of important subjects, it is the responsibility of employees to review and adhere to other specific policies that apply to an employee's activities.

**3.1 Trimble's Compliance Officer is Trimble's General Counsel, the Chairman of the Audit Committee in the General Counsel's absence, or such other person as the Board of Directors may designate.**

#### **3.2 Public Communications and Disclosure**

In all public statements and filings with governmental authorities, including filings with the U.S. Securities and Exchange Commission (SEC), Trimble is committed to providing full, fair, accurate and timely disclosure in compliance with all applicable laws and regulations. All managers are required to promote compliance with this policy and to abide by Trimble's standards, policies and procedures designed to promote compliance with this policy.

### 3.2.1. Response to Inquiries

When disclosing important events and developments, Trimble is committed to providing the public full and truthful disclosure. Specific company departments have the responsibility of responding to questions from the public. Employees should generally direct such inquiries to the appropriate department as indicated below.

- Any inquiry by a member of the media should be referred to Trimble's public relations department or the senior manager on site.
- Inquiries from shareholders or potential shareholders should be directed to the investor relations department or the senior manager on site (who should then direct the inquiry to the investor relations department).
- Other inquiries from the public should be referred to the designated contact person or, if unclear, to the senior manager on site.

### 3.2.2. Employee Communications

Employees should refrain from engaging in any conduct that may violate financial disclosure laws or the Trimble Insider Trading Policy, such as communicating inside information to others so that they may buy or sell stock or securities.

## 3.3 Conflicts of Interest

A conflict of interest arises when an employee's personal interest could influence his or her business decisions. It is important to note that a conflict may arise even if there is only an appearance of influence. A conflict of interest may arise if any of the following conditions occur. This is not a comprehensive list; other conflict situations may exist.

- An employee is an officer, director, owner, agent, or representative of a Trimble supplier or customer working on a Trimble project.
- An employee is an officer, director, owner, agent, or representative of a Trimble competitor.
- An employee holds a material financial interest in a Trimble supplier, customer, or competitor.
- An employee deals directly in the course of business with a spouse or immediate family member who is employed by a supplier, customer, or competitor.

### 3.3.1 Outside Interests

Employees are expected to avoid any outside interests or activities that could be advanced to the detriment of their duties to Trimble. Such involvement may divide an employee's loyalty between Trimble and the outside interest and thus create a potential conflict of interest. Employees must not work for or provide advice or consulting services to a competitor, supplier, or customer that would either conflict with or interfere with the performance of their company responsibilities, or conflict with or have the appearance of conflicting with the business or financial interests of the company. Employees may not accept payments from third parties for serving as an industry "expert" or discussing the company's business.

Employees must not run "side businesses" in their spare time that compete with, sell to, or buy from Trimble and must avoid any financial investments in competitors, suppliers or customers, other than ownership interests in public companies of less than 5%.

### 3.3.2 Receipt of Gifts or Other Favors

Conflicts of interest arise when an employee receives improper personal benefits as a result of his or her position at Trimble. No Trimble employee may solicit or receive favors, gifts, loans or other benefits (including goods, services and discounts) from any supplier, customer or competitor. The only exception to this policy is for business related gifts (1) that are casual entertainment or gifts (other than money) of relatively small value which are customarily offered to others having a similar relationship with the supplier, customer or competitor, (2) which are lawful, and (3) which are not made to influence a business decision or secure undue advantage. If a Trimble employee receives a gift that is contrary to this policy, it should be returned or disposed of, as appropriate, and the supplier, customer or competitor should be informed of Trimble's policy against such gratuities.

Trimble employees should exercise good judgment in deciding whether to accept a gift of nominal value or casual entertainment and, when in doubt, decline to accept the offer or obtain guidance from your manager.

### 3.3.3 Use of Company Assets

Employees are expected to protect Trimble assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on company profitability. Trimble property, such as office supplies, computer equipment, buildings, and products, as well as Trimble employee time are expected to be used only for legitimate business purposes. Inefficient or illegal use of Trimble

property hurts all of us, and may result in disciplinary action, including termination, consistent with applicable law.

### 3.3.4 Corporate Opportunities

Employees, officers and directors are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position.

## 3.4 Fair Dealing

Relationships with customers, suppliers, competitors, and employees are to be based on fair dealing; fair competition in quality, price and service, and compliance with applicable laws and regulations. Fair dealing means that no unfair advantage is taken through manipulation, concealment or misrepresentation of material facts, abuse of confidential or privileged information, or like practices. Trimble employees, officers, and directors must not use improper or illegal means of gaining competitive information that is confidential or proprietary information owned by others, or disclose confidential or proprietary information gained from past employment or fiduciary relationships with other companies.

Employees are required to give all suppliers and vendors fair and uniform consideration by making decisions based on objective criteria, such as competitive pricing, delivery, quality, reliability and service.

Trimble does not engage in false or misleading claims to its customers, competitors or the public. The following specific policies apply:

- Marketing, advertising, and sales materials will be clear and truthful. They will not contain false or exaggerated claims about Trimble products and services.
- Sales information about prices, products, and services should be provided to customers and vendors in a way that avoids any appearance that it is being given in an underhanded or preferential way
- Employees should not knowingly make any offers or promises on behalf of the company that cannot be kept by the company.
- Employees should not make false or misleading statements about a competitor's products or services.

## 3.5 Financial Integrity and Books and Records

All company books, records, accounts and financial statements must be maintained in reasonable detail to clearly and accurately represent the facts of the underlying matter in all material respects. Transactions must be recorded accurately and fairly to reflect the activities of the company and comply with the company's internal control procedures and applicable legal and accounting standards. Specifically, company records must properly account for all assets and liabilities, properly document all business expenditures including travel and business expenses. Employees must not prepare, accept, approve or transmit records that intentionally or otherwise falsify or misrepresent the true nature of the transactions.

The company has established accounting and other internal control standards and procedures to ensure that all company assets are protected and properly used and that financial records are accurate and reliable. Employees share the responsibility for maintaining and complying with required internal controls and ensuring that company assets are not misused.

Reporting of financial irregularities or misconduct is addressed in Trimble's Financial Misconduct Reporting Policy, a copy of which is available on the Trimble intranet.

## 3.6 Improper Payments and Business Dealings

Employees may not, directly or indirectly, offer or give anything of value to improperly influence any person in an existing or potential business relationship with the company. Such improper payments include, but are not limited to, bribes, kickbacks, or loans to or from any person with whom employees conduct business on behalf of the company. Employees, officers, and directors are prohibited from using a family member, agent, dealer, consultant or other third party to accomplish what the employee, officer, or director is prohibited from doing directly with respect to improper payments and business dealings.

### 3.6.1 Payments to Government Officials

The prohibition on improper payments extends to government officials and it is expressly prohibited to give or offer to give, either directly or through an agent or intermediary (including dealers or consultants), anything of value to any (i) officer or employee of a government or any government department, agency, or state owned or state controlled enterprise, (ii) political party or official thereof, (iii) candidate for political office, or (iv) officer or employee of a public international organization, in order to obtain, retain, or maintain business or secure an improper advantage. In addition to violating this policy, such payments or offers violate the laws of most countries, including the United States. See Appendix A for further discussion of anti-bribery laws and Trimble's anti-corruption policies.

### 3.6.2 Gifts and Hospitality

This policy allows for the provision of business-related meals and events, ordinary business courtesies, and nominal (non-cash) gifts by employees when generally considered to be accepted industry practice. However, if any gift or hospitality is to be provided, it must be (1) generally in good taste, (2) reasonable under the circumstances, (3) not lavish or excessive, (4) allowable under all applicable anti-corruption laws, and (5) permitted by the policy of the company for which the recipient works. In general, gifts should normally be of nominal value, should never be in cash, should preferably bear a Trimble logo and should not be given to improperly influence the business decision of the recipient. There are special rules pertaining to the giving of a gift, the offering of hospitality, or the reimbursement of travel expenses to government officials. These special rules are further explained in Appendix A.

**When in doubt with respect to any matter involving payments, gifts or hospitality for government officials or otherwise, employees should contact the legal department.**

### 3.6.3 Government Contracts

Trimble strictly observes the laws, rules and regulations that govern the acquisition of goods and services by any governmental entity of any country and the performance of government contracts. Activities that may be appropriate when dealing with non-government customers may be improper and even illegal when dealing with government. The penalties of failing to adhere to these laws are severe and include substantial civil and criminal fines and imprisonment, and Trimble could be prohibited from doing business with the government. Trimble employees who deal with any governmental agency as a customer, including international organizations, are responsible for learning and complying with all applicable company policies and procedures and any rules that apply to government contracting and interactions with government officials and employees. Any questions should be addressed to the legal department.

## 3.7 Computer Use

All offices, desks, file drawers, cabinets, lockers, and other Trimble equipment and facilities are the property of Trimble and are intended for business use. Employees must use Trimble's computer systems and data assets in a manner that protects Trimble's interests at all times.

Employees must take reasonable care to store and transport laptops and other portable devices securely, whether on or off business premises. In particular, employees must limit the amount of Trimble confidential information, personally identifiable information, or data assets they download to, or save on, portable storage devices to what is absolutely necessary to complete the work-related tasks/assignments. Employees must delete such information from portable storage devices when it is no longer necessary, unless they have received instructions from the Trimble legal department to retain information because of pending litigation.

Only licensed or otherwise authorized software may be used on Trimble's computer systems. All software that employees believe is necessary or desirable for the performance of their jobs should be ordered through the Trimble Information Systems Department. Employees obtaining electronic access to the documents or materials owned by other companies or individuals must respect all copyrights.

When using the internet (e.g., blogging, emailing, or using social media), the following guidelines should be followed:

- Follow all applicable laws, rules, and regulations.
- Do not make representations on Trimble's behalf, attribute opinions to Trimble, or endorse Trimble's products or services on the internet except as authorized under an approved marketing program.
- Do not comment on Trimble confidential and proprietary financial matters. This includes internal financial information such as pricing or contracts as well as public financial data about Trimble or its stock price, or information on company strategy, markets or competition.
- Do not post, distribute, store, or forward material that is offensive, abusive, obscene, or threatening. Examples include hate-material, racial or ethnic slurs or jokes, profanity, pornography, and any material that contributes to a hostile work environment or violates Trimble policies and/or applicable laws.
- Do not illegally redistribute copyrighted material (e.g., music, video files, news articles, publications). Redistribution includes, but is not limited to, reproducing, e-mailing, posting, distributing, displaying, storing, selling, publishing, broadcasting, and photocopying protected material inside or outside Trimble.
- Do not seek or gain unauthorized access to any computer systems by hacking, exploitation or otherwise.

## 3.8 Anti-competitive Activity

Employees should not engage in any activities that are or may be perceived as anti-competitive, and must comply with all

antitrust and competition laws. These laws are designed to create a level playing field in the marketplace and to promote fair competition. These laws generally prohibit agreements with competitors regarding pricing, certain boycotts of customers or suppliers, agreements limiting production or sales, or market, geographic, or customer allocation, and other forms of anti-competitive conduct. These laws vary by country, and can be complex. Trimble employees, officers, and directors having roles that may involve competition issues are responsible for knowing the laws that apply to their company business activities. Employees, officers, and directors should consult with the legal department if they have any questions. In any event, Trimble employees, officers, and directors must not exchange non-public Trimble information with competitors.

### **3.9 Confidential and Proprietary Information**

Confidential and proprietary information is any information about Trimble which the employee learns or develops on the job and is not made public by the company. Such information may include, but is not limited to, company practices, procedures, processes, inventions, financial information, engineering plans, customer lists, and marketing plans.

An employee may not disclose to a third party Trimble confidential information or any confidential information of Trimble customers or suppliers which the employee may learn in the course of his or her employment. Employees should strive to prevent the potential for disclosure of such information, either by taking steps to safeguard the information or reporting violations of this confidentiality requirement by others.

Confidential information should be safeguarded with the highest level of care. Employees should not disclose this information to any other employee who does not have a need to know for purposes of performing their jobs properly. Employees should not disclose any confidential information outside the company except pursuant to a non-disclosure agreement (NDA) or other protective agreement.

### **3.10 Insider Trading**

Employees may not buy or sell the company's stock or the securities of other companies based on information learned in connection with his or her employment prior to the release of information to the public. All employees should comply with Trimble's Insider Trading Policy.

### **3.11 International Business Conduct**

All employees worldwide will adhere to the following guidelines for conducting business in those countries. Trimble's Trade Compliance group is available to provide additional compliance information regarding specific policies, procedures, and restrictions.

#### **3.11.1 Boycotts and trade embargoes**

Trimble complies with all applicable boycott and trade embargo laws. Requests for information by a boycotting country about a boycotted country must be reported promptly to the legal department, or to your local manager if reporting to the legal department is not permissible in your jurisdiction. Employees should contact the legal department regarding any questions concerning applicable laws in this area.

#### **3.11.2 Export Regulations**

It is the policy of Trimble to strictly comply with the requirements of the U.S. export laws, including the Export Administration Act, the Arms Export Control Act, the Foreign Assets Control Regulations, and International Traffic in Arms Regulations, as well as the export control laws of other countries where Trimble does business, regardless of the location of a particular business or the place of origin of products. In order to comply with applicable US laws, employees shall not communicate, ship, mail, hand carry or in any other way, export or re-export any products or any technical data from the United States without confirming that such export may lawfully be made to the intended recipient in the intended country or destination. Distribution of information, including licensing information, export data, and other documentation provided to affiliates and subsidiaries internationally, should include reference to the requirements of these regulations.

#### **3.11.3 Supplier Compliance**

Trimble has adopted the Electronics Industry Code of Conduct (EICC) (version 3, 2009) and is committed to pursuing adherence to the EICC in its global supply chain.

Trimble prohibits the violation of laws, including labor laws, in countries where it does business. Trimble expects procurement personnel and other employees who transact business with its suppliers, vendors, or subcontractors to communicate Trimble's requirement to comply with all applicable laws.

Trimble procurement and other employees who conduct business with suppliers, vendors and subcontractors shall ensure that all contracts with suppliers, vendors and subcontractors contain relevant provisions consistent with these requirements. Specifically, all Trimble suppliers, vendor and subcontractor agreements shall require compliance with applicable local and national laws, including those related to employment and wages, environmental and anti-corruption, eradication of slavery and human trafficking and IP protection and antitrust laws, wherever they are engaged in business. Violation of these requirements may lead to immediate termination of a supplier contract.

### **3.12 Political Activities and Contributions**

Employees may not use company assets or funds to make political contributions to any candidates running for a political office or to support political campaigns. Examples of prohibited contributions include, but are not limited to, cash gifts, loans, gifts of tickets, and trips. Trimble supports the rights of employees to participate in the political process. However, such activities must be carried out on the employee's own time and at their own expense.

### **3.13 Substance Use and Abuse**

Employees should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. Improper use of alcohol or drugs or any other harmful and/or controlled substances adversely affects job performance and can risk the safety of employees and others. Employees are prohibited from possessing, selling, using, distributing or offering others any illegal drugs or any other harmful and/or controlled substances while on company business or on company premises. Employees may not consume alcohol when it may impair their ability to perform job duties, endanger others or reflect adversely on the reputation of Trimble or any of its staff. The use of illegal drugs in the workplace will not be tolerated.

### **3.14 Violation of Policy**

Employees who violate this policy may be subject to discipline that may include termination, consistent with applicable law.

Employees who become aware of any apparent violations of this policy should notify their local manager. If the employee feels it is inappropriate or sensitive to report the violation to his or her local manager, the employee may communicate directly with the Compliance Officer on issues relating to accounting, internal accounting controls or an auditing matter, banking and financial crime, anti-corruption or anti-trust directly. Reporting of financial irregularities or misconduct is further addressed in Trimble's Financial Misconduct Reporting Policy, a copy of which is available on the Trimble intranet. Trimble will not discipline, discharge, or otherwise retaliate against an employee who informs the company of violations in good faith or who participates in good faith in an investigation.

Company officers must immediately report any suspected violations of applicable laws, rules, and regulations of this policy to the Compliance Officer or the Chairman of the Board of Directors.

Subject to applicable law, certain employees may periodically be required to sign a statement indicating their understanding and compliance with this policy as a condition of employment. Examples include Trimble officers, marketing managers, sales personnel, commodity managers, and buyers.

### **3.15 Waivers of Policy**

All waivers of this policy must be approved by the Compliance Officer. Waivers affecting company officers or directors must be approved by the board of directors. All amendments to and waivers of this policy will be publicly disclosed as required by applicable law and regulations.

## **Appendix A Dealings with Government Officials Prohibition of Corrupt Payments and Practices**

The laws of virtually all countries in which we do business prohibit corrupt payments for business purposes. In addition, because Trimble is a publicly traded US company registered with the US Securities and Exchange Commission ("SEC"), its global operations must comply with the US Foreign Corrupt Practices Act ("FCPA"). This Appendix summarizes the prohibitions and requirements of anti-bribery laws, including the FCPA, the UK Bribery Act of 2010, and other applicable anti-corruption laws, and provides additional information and guidance in support of compliance with these laws and with the Trimble Business Ethics and Compliance Policy. All directors, officers, employees, agents, consultants and representatives of Trimble throughout the world are expected to be aware of and abide by the requirements of anti-corruption laws and Trimble policies against corruption and unethical business behavior. While the FCPA and the laws of many countries specifically prohibit corrupt payments to public officials, Trimble's Business Ethics and Compliance Policy and applicable anti-corruption laws such as the UK Bribery Act also prohibit corrupt payments for any purpose, including corrupt payments involving only private parties. Where the following discussion refers to public or government officials, the discussion also applies to conduct involving private parties.

## **I. Anti-Corruption Laws**

The FCPA, the UK Bribery Act and international conventions and the laws of most countries prohibit Trimble and individuals acting on behalf of, or for the benefit of, Trimble from corruptly proposing or giving money or other things of value to a government official in order to obtain, retain, or maintain business or secure an improper advantage. Government officials include any officer or employee of a foreign government or state owned or state controlled enterprise, a public international organization, or any department or agency thereof, a political party, candidate for political office, or any person acting in an official capacity. Anti-bribery laws apply to payments to any public official, regardless of rank or position.

The use of the phrase "anything of value" includes not only money bribes but also items such as gifts, stock, entertainment, discounts on products and services not readily available to the public, offers of employment to a government official or relative, assumption or forgiveness of debt, improper payment of travel expenses, personal favors and directed donations to a public official's favored charity.

Anti-corruption laws also prohibit corrupt payments through an intermediary, such as a consultant, agent, dealer or joint venture partner. It is unlawful to make a payment or provide an economic benefit to a third party while knowing that all or a portion of the payment or economic benefit will go directly or indirectly to a government official. The term "knowing" includes conscious disregard or deliberate ignorance of a corrupt payment. For example, providing an additional discount on products sold to a dealer to support a corrupt payment by the dealer to a government official is prohibited.

Violations of anti-bribery laws result in criminal penalties, civil actions, other governmental actions, or private cause of action. For example, individuals (including non-U.S. citizens) found in violation of the US FCPA's anti-bribery provisions are subject to fines and imprisonment (up to 5 years). Trimble cannot pay fines imposed on individuals.

The FCPA also requires US companies such as Trimble to keep books and records that accurately reflect transactions and dispositions of assets and to maintain a system of internal accounting controls. For example, if a gift to or hospitality involving a government official is permitted by applicable law (such as a reasonable and customary gift or payment of travel expenses for a legitimate purpose such as product demonstration), failure to identify the expense as involving a government official would violate accurate record keeping requirements.

## **II. Trimble Anti-Corruption Policies**

### **2.1.1 Zero Tolerance**

Trimble will not tolerate any conduct that achieves or attempts to achieve results for Trimble in violation of law or by acting dishonestly. Conversely, Trimble will fully support any Trimble person who declines an opportunity or advantage, where the opportunity or advantage would place Trimble's business ethics and reputation at risk.

### **2.2 Prohibition of Bribery**

Under no circumstance shall any Trimble director, officer, employee, agent, dealer, consultant or representative give, pay, offer, promise to pay, or authorize the giving or payment of money or other thing of value to any foreign official or to any other person while knowing or being aware of a possibility that the payment or promise to pay is being made to or will be passed on to a foreign official or other party.

### **2.3 Prohibition of Payment or Gift in Violation of Local Law**

Under no circumstance shall any Trimble person make, offer, promise or authorize any payment or gift in violation of local law in any country.

### **2.4 Facilitating Payments**

The anti-bribery laws of certain countries permit the payment of small sums to facilitate routine, non-discretionary government functions, such as issuance of permits, licenses, visas, work permits or other official documents. Despite allowance under law in some circumstances, Trimble policy does not permit any such payments unless prior written approval is obtained from a Country Manager, sector Vice President or a person formally designated by a sector Vice President. In addition, accurate records must be kept of any such payment, indicating the purpose of the payment and the fact that it was made to a government official.

### **2.5 Travel expenses, hospitality, entertainment and gifts**

Travel expenses, hospitality, entertainment and gifts can be extended to government officials if they are reasonable, related to a legitimate business purpose, and the government official can accept such hospitality under their applicable government laws.

Reasonable (not lavish or excessive) travel and lodging/meal expenses for government officials may be reimbursed for attendance at company product demonstrations, contract performance activities, and other legitimate business purposes. Payment of expenses for airfare other than economy class, for family members, or for side trips are not permitted. Receipts must be provided for any reimbursed expenses, and no cash per diems are permitted. Offers to reimburse expenses for a government official require prior approval from a Country Manager or sector Vice President, or a person formally designated by a sector Vice President. In addition, accurate records must be kept of any such payment, indicating the purpose of the payment or expense and the fact that a government official was involved.

## 2.6 Due Diligence on Third Parties

Trimble and any Trimble person acting on its behalf must exercise due diligence at all times and take all necessary precautions to ensure that business relationships are formed only with reputable and qualified third parties. In negotiating and documenting any business relationship, potential partners, dealers, consultants, suppliers, agents or representatives shall be prohibited from making corrupt payments or violating anti-corruption laws.

## 2.7 Record Keeping

All transactions involving Trimble funds or assets should be recorded accurately and in reasonable detail. The record must completely reflect the transactions and asset dispositions of Trimble wherever they take place.

## 2.8 Compulsory Compliance

Every Trimble person shall comply with this policy. Trimble may require Trimble persons to undergo such anti-corruption compliance training or to obtain such anti-corruption compliance certifications as Trimble may deem necessary from time to time.

## 2.9 Compliance Officer

Trimble's General Counsel is the Compliance Officer of Trimble on matters involving this policy. Any question regarding activities under consideration with regard to the anti-corruption laws or this Policy should be promptly directed to the Compliance Officer.

## **III. Additional Restrictions and Policies for Business Dealings with the United States and Other Governments**

In conducting business with agencies and branches of the United States and other countries' governments, employees should be aware that there are specific laws and regulations which may govern such business conduct, in addition to this Business Ethics and Conduct Policy. Violation of these laws or regulations may cause the company to be disqualified from future bidding on government contracts, or lead to federal or state criminal liabilities or civil penalties.

Procurement laws have several important goals:

- To obtain the best possible products and services at the best possible price.
- To encourage competition among suppliers based on published specifications and evaluation criteria.
- To reduce or eliminate waste, abuse and fraud.
- To eliminate unfair competitive advantages.

Employees engaged in business with the US government are expected to conduct themselves consistently with these goals.

### 3.1 Marketing Issues

Employees should strictly avoid giving even an appearance of the existence of a conflict of interest or unfair advantage when dealing with the government.

Employees may not encourage a government employee to engage in any activity which the individual is prohibited from doing or which may result in the appearance of improper conduct.

Employees should maintain an air of openness in dealings with government personnel, including meeting during regular business hours or meeting in regular business locations.

### 3.2 Business Favors to Government Personnel

In addition to the policies and laws discussed elsewhere in this document, some government agencies and departments have

specific requirements which govern acceptance of business favors. Employees of the company must be familiar with these requirements and never offer any favor or gift which is in violation of the applicable law or policy. Employees should be thoroughly familiar with the codes of conduct for the government agencies with which they conduct business.

Where a company-offered favor falls within the exception to a government's policy, employees are still expected to comply with the company's policy of not creating any appearance of impropriety or other requirements as stated in this policy. All such favors must be properly accounted for, and complete and accurate records must be maintained.