MCWANE, INC.

CODE OF CONDUCT POLICIES

CONFLICTS OF INTEREST

Purpose

To establish guidelines for avoiding conflicts of interest by Company team members.

Scope

This Policy applies to all team members of McWane, Inc. and its divisions and subsidiaries ("McWane" or "Company").

Policy Statement

McWane team members should avoid situations where their loyalty to the Company may be divided and should conduct all business in accordance with applicable laws.

Obligations of Loyalty: A conflict of interest exists when your duty to give ethical, undivided business loyalty to McWane is prejudiced by actual or potential personal benefits derived from another source. You should not cause McWane or yourself to have a conflict of interest. Each team member is expected to avoid any investment, interest, association or relationship that interferes or might interfere with the team member's independent exercise of judgment in the Company's best interests. It is up to you to avoid situations where your loyalty may become divided. A conflict of interest occurs when you allow any interest, activity or influence outside of McWane to:

- *influence your judgment when acting on behalf of McWane;*
- *compete against McWane in any business activity;*
- *divert business from McWane;*
- *diminish the efficiency with which you perform your regular duties; or*
- *harm or impair McWane's reputation.*

Conflicts of interest may arise in the relations of team members with (1) persons and firms supplying goods and services to the Company; (2) customers of the Company; (3) persons and firms from whom the Company leases property and equipment; (4) competitors; and (5) persons and firms with whom the Company is dealing or planning to deal in connection with the purchases or sale of real estate, securities or other properties.

Contracting with a third party or entity in which you or a member of your family has any financial, business or proprietary interest is strictly prohibited.

Exercise of Objective Business Reasons: Even though no actual conflict may exist, the appearance of a conflict can be created, for example, when a supplier or customer is chosen for other than objective business reasons. Contracts for facilities, materials and services must be based on quality/qualifications, price and availability. Please refer to the Company's Policy on *Gifts and Unlawful Payments* for further discussion of the Company's policy regarding the acceptance of gifts, discounts, favors or services of any kind from a third party. A team

member's objectivity may be called into question if such person has accepted certain gifts or payments from any outside supplier of services.

Relationships with Customers: In your relationships with customers, all such dealings are to be in conformity with applicable laws, including the antitrust laws.

Bribes, Kickbacks and Illegal Payments are not permitted and are prohibited by law and Company policy. Solicitation of such payments is similarly prohibited. Please refer to the Code for further discussion of this topic in connection with sales to government entities.

Duty to Disclose: You should promptly disclose to your immediate supervisor all personal interests or other circumstances that might constitute conflicts of interests. Your supervisor will arrange for resolution in a manner best suited to the interest of the Company with a reasonable view to your needs. You should keep in mind that, when you confront a possible conflict of interest, prompt and full disclosure is the correct and necessary first step in resolving the issue.

Participation in Outside Activities: The Company recognizes that its team members might participate in community, charity and other outside activities that do not conflict with normal work responsibilities. However, you are expected to avoid any outside personal interest or activity that will interfere with your duties. Generally, your outside interests or activities should not:

- *encroach on time or attention you should be devoting to your duties;*
- *adversely affect the quality of your work;*
- *compete with Company activities;*
- *imply Company sponsorship or support (for example, through the use of Company stationery for personal purposes); and/or*
- *adversely affect the Company's reputation.*

Affiliation or Association with Other Entities: Company approval is required for you to accept a position as director, officer or employee of any outside business or government organization (whether compensated or not). No Company team member or any member of their immediate family shall:

- *have any personal or financial interest in any entity in a business relationship with the Company (e.g., any customer, competitor or supplier of the Company); or*
- *serve as an employee, partner, advisor, consultant, officer or director (with or without compensation) of any entity where such interest or service may be used to influence or gives the appearance that it may be used to influence decisions affecting the business of the Company. The only exception is that you or a family member may own stock in a publicly held company.*

Examples of Conflicts which Divide Your Loyalty to McWane:

- *When you have a significant direct or indirect financial interest in, or obligation (acting, for instance, as an officer, director, partner or consultant) to, any actual or potential customer, supplier or competitor of the Company;*

- *When you conduct business on the Company's behalf with a customer or supplier of which a relative by blood or marriage is principal, officer or representative;*
- *When you or a member of your household or any other person or entity designated by you accepts from an actual or potential customer, supplier or competitor a gift, business courtesy, service or other benefit that might be construed as an attempt to influence your business decision and performance of your duties;*
- *When you misuse or use to your personal advantage information obtained in the course of your employment or knowingly take personal advantage of a business opportunity available to the Company;*
- *When you work as, or intend to leave the Company to work as, an employee, consultant or member of the board of directors for an organization that markets products and services in competition with the Company's current or potential products or service offerings.*

Determination of Appropriateness: It is not practical to detail the variety of situations with which team members may be confronted. Therefore, before you initiate any such action, you should discuss the appropriateness of a particular course of action with your general manager or department head in consultation with the Legal Department.

McWane reserves the right to modify, amend, supplement or replace this Policy at any time with or without prior notice.