

**NEO PERFORMANCE MATERIALS INC.  
(the "Company")**

**CODE OF BUSINESS CONDUCT AND ETHICS**

**A. INTRODUCTION**

This Code of Business Conduct and Ethics (the "**Code**") describes the basic principles of conduct that we share as officers and employees of Neo Performance Materials Inc., and its subsidiaries (collectively, "**NEO**"). The Code also applies to our directors and should be provided to and followed by our agents and representatives, including our consultants. Violation of the Code may result in disciplinary action, varying from reprimand to dismissal.

The Code is intended to provide a broad overview of basic ethical principles that guide our conduct. In some circumstances, we maintain more specific policies on the topics referred to in the Code. Should you have any questions regarding these policies, please review your employee guidebook or contact your supervisor or a member of the Human Resources Department.

**B. COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

We comply with all laws, rules and regulations of the places where we do business. If a law, rule or regulation is unclear, or conflicts with a provision of the Code, you should seek advice from supervisors or a member of the NEO legal department but always seek to act in accordance with the ethical standards described in the Code.

**C. CONFLICTS OF INTEREST**

The Company expects its employees to conduct our business affairs according to the highest ethical standards of conduct and in the best interest of NEO. Therefore, employees should avoid situations where their private interests interfere in any way with NEO's interests. This policy is intended to increase awareness of potential conflicts of interest.

The Company prohibits all employees from using their position with the Company or the Company's relationship with third parties with whom it has business dealings (such as customers, vendors, suppliers, and contractors) for private gain or to obtain benefits for themselves or members of their family. For example, a conflict of interest can occur when an employee is in a position to influence a decision regarding the Company's business dealings that may result in a personal gain for the employee or the employee's friends or family members.

We need to be especially sensitive to situations that have even the appearance of impropriety and promptly report them to a supervisor, or if appropriate, a more senior manager. If you believe that a transaction, relationship or other circumstance creates or may create a conflict of interest, you should promptly report this concern. It is our policy that circumstances that pose a conflict of interest for our employees are prohibited unless a waiver is obtained from an appropriate NEO senior officer.

**D. RECORD-KEEPING**

We require honest and accurate recording and reporting of information in order to make responsible business decisions. We document and record our business expenses accurately. Questionable expenses should be discussed with the appropriate personnel in our finance department.

All of our books, records, accounts and financial statements are maintained in reasonable detail, appropriately reflect our transactions and conform both to applicable legal requirements and to our system of internal controls. We avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies in our business records and communications. We maintain our records according to our record retention policies. In accordance with those policies, in the event of litigation or governmental investigation, please consult a member of the NEO legal department.

#### **E. CORPORATE OPPORTUNITIES**

We do not personally take opportunities that are discovered through the use of NEO property, information or position without the prior consent of our Board. Our directors, officers and employees are also prohibited from competing with NEO.

#### **F. COMPETITION AND FAIR DEALING**

We compete fairly and honestly by developing leading products based on design and performance. We do not engage in unethical or illegal business practices such as stealing proprietary information, possessing trade secret information that was obtained without the owner's consent or inducing disclosure of this type of information by past or present employees of other companies.

#### **G. BUSINESS ENTERTAINMENT AND GIFTS**

We recognize that business entertainment and gifts are meant to create goodwill and sound working relationships, not to gain unfair advantage with customers or suppliers. Neither we nor our family members offer, give or accept any gift or entertainment unless it: (a) is not a cash gift, (b) is consistent with customary business practices, (c) is not excessive in value, (d) cannot be construed as a bribe or inducement and (e) does not violate any laws or regulations. Any questionable gift or invitation should be discussed with a supervisor, or, if appropriate, a member of the NEO legal department.

#### **H. DISCRIMINATION AND HARASSMENT**

The diversity of our employees is a tremendous asset. We provide equal opportunity in all aspects of employment and will not tolerate discrimination or harassment of any kind. Derogatory comments based on racial or ethnic characteristics, unwelcome sexual advances and similar behaviour are prohibited.

#### **I. HEALTH AND SAFETY**

We are committed to providing a safe and healthy work environment. We ensure a safe and healthy work environment by following safety and health rules and practices and promptly reporting accidents, injuries and unsafe equipment, practices or conditions to a supervisor or more senior manager.

We do not permit violence or threatening behaviour in our workplaces. We report to work in condition to perform our duties at our best, free from the influence of illegal drugs or alcohol. We do not tolerate the use of illegal drugs in the workplace.

#### **J. CONFIDENTIALITY**

We protect confidential information. Confidential information includes proprietary information such as our trade secrets, patents, trademarks, copyrights, business, marketing plans, sales forecasts, engineering and manufacturing ideas, designs, databases, records, salary information and unpublished financial data and reports, as well as any non-public information that might be of use to competitors or harmful to us or

our customers if disclosed. It also includes information that suppliers and customers have entrusted to us on a confidential basis. Our personal obligation not to disclose confidential information continues even after employment ends.

#### **K. PROTECTION AND PROPER USE OF COMPANY ASSETS**

Theft, carelessness, and waste of NEO assets have a direct impact on our profitability and should be avoided. Any suspected incident of fraud or theft should be immediately reported to a supervisor or, if appropriate, a more senior manager for investigation. We carefully safeguard our confidential information. Unauthorized use or distribution of confidential information is prohibited and could also be illegal, resulting in civil or even criminal penalties.

#### **L. PAYMENTS TO GOVERNMENT PERSONNEL**

In compliance with the *Corruption of Foreign Public Officials Act* (Canada), the United States Foreign Corrupt Practices Act and the *Bribery Act* (United Kingdom), we do not give anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. We do not promise, offer or deliver to any foreign or domestic government employee or official any gift, favour or other gratuity that would be illegal. A member of the NEO legal department can provide guidance in this area.

The laws or customs of other countries in which we operate may be less clear. It is our policy to comply with those laws or customs; however, if a local law or custom seems to contradict the principles described in the Code, contact a supervisor or a member of the NEO legal department for guidance.

#### **M. WAIVERS**

Waivers of the Code for any other employee may be made only by a member of the Executive Committee, and then only under special circumstances. Only our Board or a committee of our Board may waive a provision of the Code for our executive officers or directors.

#### **N. REPORTING ILLEGAL OR UNETHICAL BEHAVIOUR**

In order to encourage reports of illegal or unethical behaviour (including violations of this Code), we keep all reports confidential and do not allow retaliation for good faith reports of possible misconduct by others. It is also our duty to cooperate in internal investigations of alleged misconduct.

We must all work to ensure prompt and consistent action against unethical or illegal behaviour. Oftentimes a violation of this Code will be easy to recognize and should be promptly reported to a supervisor or, if appropriate, a more senior manager. However, in some situations it is difficult to know right from wrong. Since none of us can anticipate every situation that will arise, it is important that we have a way to approach a new or sensitive question or concern. Here are some questions that can be asked:

- (a) ***What do I need to know?*** In order to reach the right solutions, we must be as fully informed as possible.
- (b) ***What specifically am I being asked to do? Does it seem unethical or improper?*** This will focus the inquiry on the specific action in question and the available alternatives. Use judgment and common sense. If something seems unethical or improper, it probably is.

- (c) ***What is my responsibility?*** In most situations, there is shared responsibility. Should colleagues be informed? It may help to get others involved and discuss the issue.
- (d) ***Have I discussed the issue with a supervisor?*** This is the basic guidance for all situations. In many cases, a supervisor will be more knowledgeable about the question and will appreciate being brought into the decision-making process. Remember that it is the supervisor's responsibility to help solve problems.
- (e) ***Should I seek help from management?*** In the case in which it may not be appropriate to discuss an issue with a supervisor, or where you would not be comfortable approaching a supervisor with your question, discuss it with a facility manager, a member of the Human Resources Department or a member of the Executive Committee. If for some reason you do not believe that your concerns have been appropriately addressed, you should seek advice from a member of the NEO legal department. Alternatively, we have established procedures to permit confidential, anonymous submissions of concerns regarding alleged violations of the Code, including concerns with respect to questionable accounting or auditing matters. Please refer to the Neo Performance Materials Whistleblower and Non-Retaliation Policy.

## **O. CONCLUSION**

The good name and reputation of NEO depends, to a very large extent, upon you taking personal responsibility for maintaining and adhering to the policies and guidelines set forth in the Code. Your business conduct on behalf of NEO must be guided by the policies and guidelines set forth in the Code.

## **P. ACKNOWLEDGEMENT**

Employees shall certify in writing that they have read and intend to comply with the procedures set forth in this Policy. See Annex A.

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If you have any questions regarding this Policy, or if you have questions about conflicts of interest that are not addressed in this Policy, then please contact the NEO Legal Department by email at [legal@neomaterials.com](mailto:legal@neomaterials.com).

This Policy has been approved by, and may be amended from time to time, by the Board.

Effective Date: November 7, 2017

Amended: October 18, 2019

**ANNEX A**

**ACKNOWLEDGEMENT OF THE  
NEO PERFORMANCE MATERIALS INC.  
CODE OF BUSINESS CONDUCT AND ETHICS**

I acknowledge that I have read and understand the Neo Performance Materials Code of Business Conduct and Ethics and agree to abide by its provisions.

Signature: \_\_\_\_\_

Name (Please Print): \_\_\_\_\_

NEO Location: \_\_\_\_\_

Date: \_\_\_\_\_