

Business Code of Conduct For Vendors, Suppliers, Subcontractors & Consultants

HRL Laboratories, LLC has enjoyed success by adhering to the following basic beliefs and principles since it was first founded:

- **Honesty:** to be truthful in all endeavors; to be candid and forthright with HRL and its employees, stakeholders, customers, suppliers, and communities.
- **Integrity:** to say what is meant, to deliver what is promised, to fulfill commitments, and to do what is right.
- **Responsibility:** to take responsibility for one's actions, and to report concerns, including violations of laws, regulations and company policies, and to seek clarification and guidance whenever there is doubt.
- **Respect:** to treat everyone with dignity and fairness, appreciating the diversity of the workplace and its environs and the individuality of all persons.
- **Trust:** to build confidence through team work and open, straightforward communication.
- **Citizenship:** to obey all the laws of the United States and other countries with which HRL does business, and to support the communities in which HRL does business.

With respect to HRL's business partners, these principles have translated into the following business code of conduct:

- Conduct all dealings with customers, subcontractors, suppliers, and competitors with honesty and fairness.
- Ensure that all transactions are handled honestly and recorded accurately.
- Avoid conflicts of interest, both real and perceived.
- Never use HRL assets, information, or relationships for personal gain.
- Avoid even the appearance of misconduct or impropriety.
- Protect information that belongs to HRL, our owners, customers, subcontractors, suppliers, competitors, and fellow workers.
- Comply with all laws, regulations, rules, and policies that govern the conduct of our business, both domestic and foreign.
- Respect the right of all employees to fair treatment and equal opportunity, free from discrimination or harassment of any sort.
- Protect employees who have brought to light potential or actual ethics violations from any acts of retribution or retaliation.

HRL strives to conduct its business in a manner that reflects these basic principles and business code. Our business partners are expected to conform to these principles and code, and with the values inherent therein, and to assure these principles, code and values are reflected in their contracting, subcontracting or other relationships. Since HRL believes that the conduct of its business partners can be attributed to HRL and affect its reputation, HRL expects its business partners to conform to standards of business practices which are consistent with the principles and code described above. More specifically, HRL requires conformity from its business partners with the following

standards and may periodically seek assurances from its business partners to satisfy itself of compliance with these standards:

1. Compliance with Applicable Laws

All of HRL's business partners will comply with the legal requirements and standards of their industry under the national laws of the countries in which the business partners are doing business, including the labor and employment laws of those countries, and any applicable U.S. laws. Should the legal requirements and standards of the industry conflict, HRL's business partners must, at a minimum, be in compliance with the legal requirements of the country in which the products are manufactured or services are provided. If, however, the industry standards exceed the country's legal requirements, HRL will view favorably those business partners who meet such industry standards.

Transactions. Necessary invoices and required documentation must be accurate and complete and be provided in compliance with the applicable law. All merchandise provided to HRL shall be accurately marked or labeled with its country of origin in compliance with applicable laws, including those of the country of manufacture. All shipments of merchandise will be accompanied by the requisite documentation issued by the proper governmental authorities, including but not limited to, Form A's, import licenses, quota allocations and visas, and shall comply with orderly marketing agreements, voluntary restraint agreements and other such agreements in accordance with applicable law.

Intellectual Property. HRL expects its business partners (a) to avoid infringement of the patents, trademarks or copyrights of others and (b) to have and provide HRL all necessary licenses for HRL's use of merchandise sold to HRL that is under license from a third party.

Compensation. HRL's business partners should fairly compensate their employees by providing wages and benefits that are in compliance with the laws of the jurisdictions in which the business partners are doing business or that are consistent with the prevailing local standards in the jurisdictions in which the business partners are doing business if the prevailing local standards are higher.

Hours of Labor. HRL's business partners are expected to maintain reasonable employee work hours in compliance with local standards and applicable laws of the jurisdictions in which the suppliers are doing business. HRL will not engage, as a business partner, a business entity or person who, on a regular basis, requires employees to work in excess of the statutory requirements without proper compensation as required by applicable law.

Former U.S. Government Employees. Current and former U.S. Government employees are subject to federal conflict of interest laws and regulations that may limit the ability of HRL's business partners to recruit, hire or use the services of certain of those individuals, and also may limit the activities they will be able to perform. Accordingly, HRL expects business partners will consider the applicable laws and regulations and not use such a

person when interacting with HRL if such interaction would constitute a conflict of interest or otherwise run afoul of the law.

2. The Government as a Customer

Outside of HRL's LLC members, HRL's principle customer is the U.S. Government. Public concern with the relationship between industry and the U.S. Government has resulted in complex laws and regulations that control the U.S. Government procurement process. HRL's business partners who deal with the U.S. Government, whether directly or as a subcontractor under HRL's prime government contract, must understand and comply with the rules the U.S. Government has established for itself and its suppliers.

3. Confidentiality

HRL's business partners shall not disclose to others and will not take or use for its own purposes or the purpose of others any trade secrets, confidential information, knowledge, designs, data, know-how or any other information reasonably considered "confidential" by HRL, its LLC Members, any other party that has entrusted HRL with its confidential or proprietary information. This commitment applies not only to technical information, designs and marketing, but also to any business information that HRL treats as confidential. Any information that is not readily available to the public shall be considered to be a trade secret and confidential. HRL makes a reciprocal commitment to its business partners.

4. Gift and Gratuity Policy

HRL has a very strict policy that forbids and prohibits the solicitation, offering or acceptance of any gifts, gratuities or any form of "pay off" or facilitation fee as a condition of doing business with HRL, as a form of gratitude or as an attempt to gain favor or accept merchandise or services at a lesser degree than what was agreed. HRL believes in delivering and receiving only the total quantity agreed. Any business partner who violates this policy by offering or accepting any form of gift or gratuity to/from any associate, employee, agent or affiliate of HRL will be subject to loss of existing and future business, regardless of whether the gift or gratuity was accepted. In addition, a business partner who violates this policy will be reported to the appropriate governmental authorities within all appropriate jurisdictions.

5. Labor Charging and Accounting

The accurate charging of labor and other costs and compliance with accounting standards are critical to successful business operations. HRL's business partners must ensure that their employees charge labor and other costs that are accurate and proper for the activities performed and that their accounting practices conform to acceptable standards. Mischarging or mis-accounting can result in erroneous billings, violations of law, and other problems that diminish HRL's and its business partner's effectiveness. Moreover, the conduct can place the entities involved in jeopardy of being put out of business.

6. Workplace Environment

HRL expects its business partners to maintain a safe, clean, healthy and productive environment for their employees. Workers should be adequately trained to perform their jobs safely. HRL will not do business with any business that provides an unhealthy or hazardous work environment.

7. Discrimination

HRL recognizes that cultural differences exist and different standards apply in various jurisdictions; however, we believe that all terms and conditions of employment should be based on an individual's ability to do the job, not on the basis of personal characteristics or beliefs. HRL favorably views those business partners who have a commitment to basic principles of human rights and who do not discriminate against their employees in hiring practices, or any other term or condition of work, on the basis of factors protected by law.

8. Forced Labor/Prison Labor/Child Labor

Forced or prison or child labor will not be tolerated by HRL. HRL's business partners shall maintain employment on a voluntary basis. HRL will not accept products or services from businesses who utilize in any manner forced or prison or child labor in the manufacture or in their contracting, subcontracting or other relationships for the manufacture of their products or provision of their services. No person shall be employed at an age younger than the law of the jurisdiction allows, and HRL reserves the right to cease doing business with an entity if it employs children below the age of 14, regardless of the law of the jurisdiction. Similarly, no business partner will engage in the trafficking of persons and will, for Federal Contracts comply with Executive Order 13627. Prison labor does not include individuals who have been paroled, pardoned or have served their term or who are authorized to work in conformity with the requirements of Executive Order 11755, as amended by Executive Orders 12608 and 12943.

9. Concern for the Environment

HRL believes it is its role to be a leader in protecting our environment. We encourage our business partners to always reduce, reuse and recycle. We also encourage our business partners to reduce excess packaging and to use recycled and non-toxic materials whenever possible. HRL will view favorably business partners who share our commitment to the environment.

10. Conflict Minerals

Companies that file reports with the Securities Exchange Commission must disclose annually whether they use "conflict minerals" originating from the Democratic Republic of the Congo or nine adjoining countries (Uganda, Rwanda, Burundi, Tanzania, Zambia, Angola, Republic of the Congo, Central African Republic and Sudan). The "conflict minerals" must be "necessary to the functionality or production" of a product that the company either manufactures or contracts to be manufactured. Conflict minerals are

currently defined as cassiterite, columbite-tantalite, wolframite or their derivatives: tin, tantalum, gold and tungsten. HRL does not accept conflict minerals and expects its business partners not supply products containing conflict minerals and to comply with the applicable reporting requirements.

11. Code of Conduct Hotline

The HRL Code of Conduct Hotline is an anonymous third party provider that listens to and acts on concerns expressed by its business partners and others about possible violations of company policies, laws, or regulations such as improper or unethical business practices, and health, safety, and environmental issues. The third party provider directs the information from the call to the appropriate person within HRL who can address the issue of the call. HRL's business partners are encouraged to communicate their concerns, as well as ask questions about ethical and other Code of Conduct issues. The Code of Conduct Hotline is available to all HRL vendors, suppliers, subcontractors and consultants.

The telephone #: 1-310-317-5780