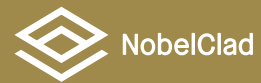


INGENUITY IN ACTION

# DMC Global Inc. Code of Ethics & Business Conduct



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## About DMC Global Inc.

DMC Global is an owner and operator of innovative, asset-light manufacturing businesses that provide unique, highly engineered products and differentiated solutions. DMC's businesses have established leadership positions in their respective markets and consist of: Arcadia, a leading supplier of architectural building products; DynaEnergetics, which serves the global energy industry; and NobelClad, which addresses the global industrial infrastructure and transportation sectors. Based in Broomfield, Colorado, DMC trades on Nasdaq under the symbol "BOOM." Visit [www.dmcglobal.com](http://www.dmcglobal.com) for more information.

# A Message from Interim President, CEO and Executive Chairman, James O'Leary



**JAMES O'LEARY**  
Interim President,  
CEO and Executive  
Chairman

To The Employees of DMC:

Our Company's foundation rests upon four key values: *Integrity, Teamwork, Courage and Humility*. Although our workforce is spread across many global locations, we are united by these shared values and our dedication to maintaining high professional and ethical standards.

The Code of Ethics and Business Conduct outlined here guides our daily operations and decision-making. Adherence to these principles should inform everything we do - from the way we engage with and treat co-workers to our dealings with customers, suppliers, and business associates.

Please review and understand the guidelines detailed in the following pages, and remember that each of us are a representation of DMC and its core values.

Regards,

**James O'Leary**

Interim President, CEO and Executive Chairman

## Demonstrating Integrity

At DMC, we strive to uphold the highest standards of ethics and integrity when conducting business. We demonstrate this by ensuring that our words and actions are in alignment with these standards at all times. This includes treating others with dignity and respect, competing honestly and fairly, ensuring and promoting a safe and respectful work environment, producing products of the highest possible quality, providing outstanding customer service and complying with the law.

## Our Shared Values

DMC's Code and culture rests on our shared values, which serve as our foundation and moral compass in all that we do. We consider these values non-negotiable. They help guide how we evaluate business decisions, interact with others, and how we deliver DMC's brands. Living by these values also drives our long-term success by encouraging growth and ingenuity, and by earning the trust and confidence of our customers, business partners and shareholders.

### OUR SHARED VALUES ARE:

#### **Integrity**

We stand by our word and own our decisions. We are fair in how we treat customers and peers, partners and the communities we work in. We treat our Company like it's our own.

#### **Teamwork**

We believe in being a part of one team, one community. We count on each other to do our part. We stand by one another when things are tough, learning from our failures and celebrating together when we get the job done.

#### **Courage**

We are entrepreneurs, with the courage to act when we see something that needs doing. We believe in pursuing the right path forward, even if it's the most difficult one.

#### **Humility**

We believe that inspiration can come from anywhere and remain open to new ideas. We are proud of our work and how it helps our customers, but we are never boastful.



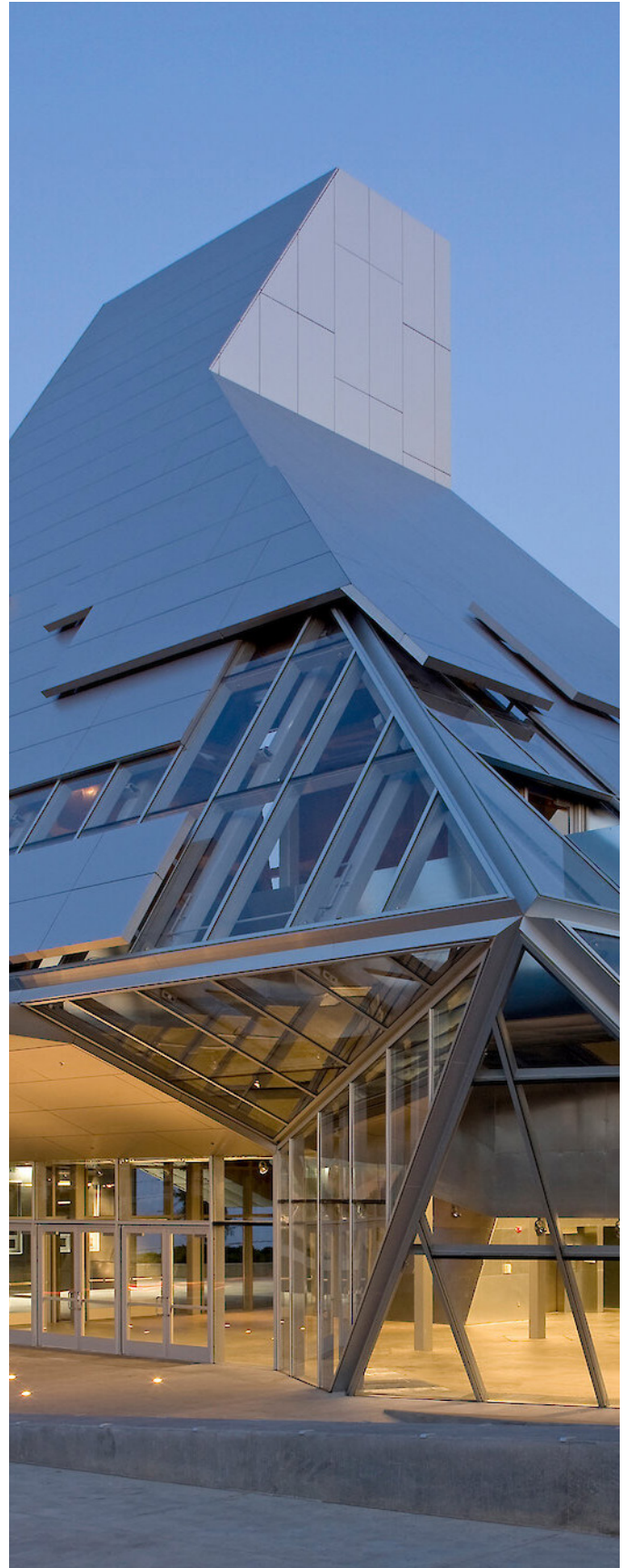
We are each expected to accept personal responsibility for our actions and to do the right thing. Remember, the integrity and reputation of DMC depends on the honesty, fairness and integrity brought to the job by each of us. Our actions individually and collectively represent DMC. We are all expected to apply common sense and the highest standards of personal integrity in all business decisions and interactions.

## Why We Have a Code

As a global company, our business is subject to a variety of complex rules, laws and regulations. To help us comply with these requirements, and to ensure that only the highest standards of ethics and integrity are reflected in our business practices, the Code sets forth basic guidelines that we all must follow as employees and representatives of DMC, regardless of our country and brand affiliation.

The Code and our corporate policies are the cornerstone of our compliance program. Keep in mind that there are additional corporate policies other than those referenced in the Code that must be followed and enforced within the Company. You should refer to DMC Global Dropbox/BOOM Essentials/DMC Legal/Corporate Policies to access all of DMC's corporate policies.

Lastly, although it would not be possible for the Code to address all of the legal requirements that apply to our operations or every ethical issue that may arise; it does provide the guidance and resources to assist you in making the right decisions. All of us are expected to act not just within the letter of the Code, but also within its spirit. Refer to the Code often and seek guidance if you have questions.



## Who Must Follow the Code?

The Code applies to all employees of DMC, including part-time employees and executive officers, non-employee members of DMC's Board of Directors and all employees, officers and directors of DMC's subsidiaries, worldwide. We also expect our suppliers, distributors, agents, independent contractors and anyone acting on our behalf to abide by the principles of the Code.

Compliance with the Code is mandatory. You are responsible for understanding and adhering to its requirements. Failure to comply with the Code may result in disciplinary action, up to and including termination of employment. Additionally, in appropriate cases, violations may also result in civil legal action and/or referral for criminal prosecution.

Any waiver of the Code for DMC executive officers or directors must be approved by the Board of Directors or a committee thereof and will be promptly disclosed to shareholders as required by law. The Chief Legal Officer may waive, in writing, a specific application of the Code for employees other than executive officers and directors, provided that such waivers are reported promptly to the Board of Directors.

Directors and all employees will be asked to certify annually, pursuant to a Report of Compliance, that they are in full compliance with this Code, to the extent that such certification is not prohibited by law. A form of Report of Compliance is attached hereto as [Appendix A](#).

## Compliance with the Law

Obeing the law is one of the foundations of the Code. Our employees are expected to comply with all local, national and international laws in countries to which they travel, in which they operate and where we otherwise do business; and, as a U.S. public company, this includes the U.S. federal securities laws. It is our intention that the Code complies with all applicable law. If there are circumstances where local law differs from the Code, then the local law takes priority over the Code. Otherwise, your actions must comply with the Code. You may also find that in some countries certain laws are not enforced; however, this will not be accepted as a reason for noncompliance. Do not hesitate to ask questions about whether any conduct may violate the Code or local laws.

Disregard of the law will not be tolerated, nor will ignorance of the law be an acceptable excuse. Violation of domestic or foreign laws, rules, and regulations may subject an individual, as well as DMC, to civil and/or criminal penalties. These laws include antitrust laws, securities laws, anti-corruption laws, import and export laws, environmental regulations, laws relating to employee discrimination and sexual harassment, and state laws relating to duties of corporate directors and officers. Examples of criminal violations of the law include: stealing, falsifying company books and records, misappropriation of company assets, insider trading, price fixing, making a payment for an expressed purpose on the Company's behalf to an individual who intends to use it for a different purpose, or making payments, whether corporate or personal, of cash or other items of value that are intended to influence the judgment or actions of political candidates, government officials or businesses in connection with any of the Company's activities.

To the extent required or otherwise appropriate, the Company will report all suspected criminal violations to the appropriate authorities for possible prosecution, and will investigate, address and report, as appropriate, non-criminal violations.

If you have a question in the area of legal compliance, don't hesitate to seek advice from your supervisor or the Chief Legal Officer. If you believe that a legal compliance issue is not being addressed appropriately, you may report your concerns pursuant to the DMC Whistleblower Policy.

## See Something, Say Something - Duty to Report Violations

At DMC, we encourage open and honest communication, even if it is difficult. If you are aware of any conduct that violates, or in your good faith belief may violate, the Code, the Company's corporate policies or applicable laws, you have a responsibility under the Code to promptly report such violation or concern, to the extent such obligation is not prohibited by law.

There are a number of ways for you to report violations or concerns. These include contacting your supervisor, the Chief Legal Officer or using the procedures set forth in DMC's Whistleblower Policy, including the Compliance Hotline at [dmcglobal.ethicspoint.com](https://dmcglobal.ethicspoint.com). The Compliance Hotline is available 24 hours a day, 7 days a week, and is operated by an independent third-party.

Your most immediate resource for any matter related to the Code is your supervisor. Any questions regarding the Code, corporate policies or the law, whether for clarification or an interpretation of applicability, should be directed to your supervisor. He or she may have the information you need or may be able to refer the question to another appropriate source. Each supervisor shall promptly report any allegations of violations or concerns to the Chief Legal Officer. Such complaints will be investigated and your cooperation in the investigation may be necessary.

There may, however, be times when you prefer not to go to your supervisor. In these instances, you should feel free to discuss your concern with the Chief Legal Officer. In the alternative, if you feel that doing so is not appropriate, you may file a report pursuant to the DMC Whistleblower Policy.

While complaints may be made anonymously pursuant to the Compliance Hotline, the inability to discuss your complaint may hinder an investigation. Therefore, we encourage you to discuss your concerns openly with the appropriate personnel. If you do decide to remain anonymous, please provide as much information in your report as possible.

### COMPLIANCE HOTLINE

Access the Compliance Hotline at [dmcglobal.ethicspoint.com](https://dmcglobal.ethicspoint.com).

Once you select the country information, you may either:

- Proceed with filing your report online, or
- Make a report via the country specific phone number that is provided





Violations of the Code that are confirmed by investigation will be addressed and will subject the employee who committed the violation to disciplinary action, up to and including termination of employment. In some cases, the employee could face civil action and/or referral for criminal prosecution.

The Company will not tolerate retaliation or discrimination against anyone who in good faith makes a report of a potential violation of the Code, corporate policies or the law, or who assists in the investigation of a reported potential violation. Any acts of retaliation should be reported immediately. Anyone found to have retaliated against an individual will be subject to disciplinary action, up to and including termination of employment.

For more detailed information on reporting violations or concerns, investigation of complaints, corrective actions and nonretaliation, please see DMC's Whistleblower Policy.

## Positive Work Environment

### Dignity and Respect

At DMC, we promote an inclusive work environment and we believe that every employee deserves to have a workplace where they are treated with dignity and respect. We are committed to providing a positive work environment where our employees are free from unlawful discrimination, harassment and any behavior that creates a hostile or intimidating work environment.

**Discrimination** occurs when an employee suffers an adverse employment action, such as termination, demotion, or lack of promotion based on his/her age, religion, race, color, sex, national origin, ancestry, sexual orientation, physical disability or any other characteristic protected by law.

**Harassment** is when derogatory comments or behavior based on race, color, age, sex, national origin, disability, religion or any other characteristic protected by law unreasonably interferes with an individual's work performance, or creates an intimidating, hostile or offensive work environment.

### Q&A

**Q:** One of our vendors makes racial and age-related remarks to one of my co-workers. I think this is harassment even though he's not a Company employee, but I'm not sure. What should I do?

**A:** You should report this matter to your supervisor. Even non-employees can be guilty of harassment. We do not tolerate any form of harassment, whether it is initiated by an employee or directed at an employee by a third party.

Discrimination and harassment are prohibited behaviors and appropriate disciplinary action will be taken when an investigation concludes they have taken place. Note that this applies to contractors and temporary employees and in some cases non-employees as well. Employees who report in good faith suspected discrimination or harassment will not be retaliated against. For further information on workplace discrimination and harassment, please refer to the Employee Handbook for your location.

### Equal Opportunity

We are an equal opportunity employer and are committed to fair and equitable treatment of everyone. We believe that the diverse group of

individuals who work for DMC is its most valuable resource and we respect and embrace these different backgrounds, abilities, strengths, perspectives and knowledge.

Our decisions regarding hiring, compensating, developing and promoting employees and are based solely on relevant considerations such as merit, qualifications, ability and performance. We never make such decisions based on race, age, gender, religion, color, national origin, disability or any other characteristic protected law. For further information on our commitment to equal opportunity, please refer to the Employee Handbook for your location.

### Drugs and Alcohol

DMC is committed to a safe, healthy, and productive work environment. Use of illegal drugs or a controlled substance (which includes marijuana), whether on or off the job, can detract from an employee's work performance, efficiency, safety, and health, and therefore seriously impair the employee's value to the Company. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other employees and exposes the Company to various risks of property loss or damage, or injury to other persons. For further information on drug and alcohol use and testing, please refer to the Employee Handbook for your location.

### Workplace Violence

A safe work environment also means an environment that is free from violence and threats of violence. DMC strives to maintain an environment where employees feel safe and secure. We do not tolerate any acts or threats of violence. We prohibit weapons on all of the Company's properties consistent with local law. For further information on workplace violence, please refer to the Employee Handbook for your location.

#### Q&A

**Q:** I noticed that my colleague has alcohol on his breath. He isn't slurring his words or making it otherwise obvious that he has been drinking, and I think he'll probably be okay to work, but I'm not sure. What should I do?

**A:** You should bring this matter to the attention of your supervisor. Reporting to work under the influence of alcohol impairs your colleague's job performance and may endanger the safety of others. Reporting this to your supervisor not only fulfills your obligation under the Code, but it also may help your colleague get the assistance he needs.

## Health, Safety, Security and the Environment

At DMC, we strive to provide a work environment free of any known safety or health risks. Our operations, including the use of explosives and sale of explosive devices and equipment, demand unwavering emphasis on employee health, safety and security and the preservation of the environment our



employees work within. Therefore, it is our strict policy that each DMC location safety manager or person in charge of safety, along with the employee's direct supervisor, ensures that all required training is scheduled, completed, and documented. No new employee will be released to their assigned work center before completion of safety orientation activities. It is your responsibility to understand the health and safety issues that concern your job and to perform your job in accordance with our health and safety standards.

Each of us shares the responsibility for maintaining a safe and healthy workplace by following safety and health rules and practices and reporting accidents, injuries, unsafe equipment and any other unsafe practices or conditions. In addition, the security of our products, raw materials and facilities are of critical

#### Q&A

**Q:** I noticed some activities that may be creating a safety hazard but it's not my work area and I don't want to get anyone in trouble.

**A:** You should report your concern to your supervisor. Everyone has a responsibility to maintain a safe and healthy work environment.



importance and each employee is responsible for following all security precautions at their facilities.

Laws in every country in which we operate impose liability on individuals and/or companies that contaminate the environment with any hazardous substance that could cause injury to the community or environment. Violation of environmental laws can be a criminal offense and can involve monetary fines and/or imprisonment. We expect employees to comply with all applicable environmental laws. For our communities worldwide, we work to protect the environment, maximize the efficiency of our products, and reduce wastes, emissions, energy consumption and the use of materials of concern.

It is our policy to conduct our business in a safe, secure and environmentally responsible way that minimizes harmful environmental impacts. Our goals are to minimize and, if possible, eliminate the use of any substance or material that may cause unnecessary unsafe practices, environmental damage or injury to employees or others; reduce waste generation by disposing of all waste through safe and responsible methods including recycling; employ safe technologies and operating procedures; and be prepared to respond appropriately to accidents and emergencies. Please see DMC's Environmental Policy for more information.

## Citizenship and Human Rights

We are committed to good citizenship and we believe that engagement with others improves the human condition. For our employees worldwide, DMC strives to assure safe and healthy work environments that respect their rights and dignity and are free of discrimination, based on the more stringent of U.S. standards, local standards, or our corporate policies. We support the principles established under the United Nations Universal Declaration of Human Rights and do not condone or knowingly conduct business with any individual or company that participates in the exploitation of children (including child labor), physical punishment, forced or prison labor, human trafficking or any other abuse of fundamental human rights. Please see DMC's Human Rights Policy for more information.

We expect our business partners to be committed to these standards as well. DMC recognizes its responsibility to respect human rights and avoid complicity in human rights abuses.

### Q&A

**Q:** My contact at one of our suppliers made a comment about keeping their prices low by using children in Somalia to make their products. Should I report this to someone?

**A:** Yes. Report this to your supervisor immediately. We expect our suppliers to be committed to protecting the fundamental human rights of everyone and we will not do business with any company who violates these rights.

## **Conducting Business Fairly**

At DMC, we compete fairly and honestly, and we seek competitive advantages through superior performance and products and never through unethical or illegal business practices. No director, officer or employee should take unfair advantage of our customers, suppliers or competitors. We sell our products and services honestly and will not pursue any sale or purchase that requires us to act unlawfully or in violation of these standards. Unlawful and/or unethical acts include stealing proprietary information; unfairly disparaging competitors; concealing, manipulating or misrepresenting facts; unauthorized use or abuse of proprietary or confidential information; inappropriate threats; and fraud. All such conduct is strictly prohibited. When speaking with our customers, only provide truthful information about our products, and never make disparaging statements about our competitors.

Business entertainment and gifts are meant to create goodwill and sound working relationships and not to gain improper advantage with customers or facilitate approvals from government officials. No entertainment or gifts may be offered or given by an employee to a customer or government official unless such payment is in compliance with DMC's Anti-Bribery Policy. For further







information on this topic, please see the discussion below under “Anti-Bribery/Anti-Corruption Laws” and DMC’s Anti-Bribery Policy.

## Conflicts of Interest

We are responsible for acting in the best interest of the Company at all times. As DMC employees, we must not participate in activities that compromise our objectivity or activities that create, or even appear to create, conflict between our own interests and the interests of the Company.

It is important that you disclose actual and potential conflicts of interest to your supervisor or the Chief Legal Officer so that the conflict can be resolved or avoided. Supervisors are responsible for contacting the Chief Legal Officer to obtain a conflict of interest review if an employee discloses a potential conflict.

Conflicts of interest include those stemming from financial interests, corporate opportunities, family and personal relationships, and outside employment and board memberships.

### Financial Interests

Conflicts of interest can occur when you, your family or someone with whom you have a close personal relationship has a financial interest in an organization that does business with, seeks to do business with, competes, or seeks to compete with, the Company.

If you have a question whether a financial interest in an organization that does business with, or competes with, DMC, causes a conflict, you should contact your supervisor or the Chief Legal Officer for guidance. Supervisors are responsible for contacting the Chief Legal Officer to obtain a conflict of interest review if an employee discloses a potential conflict.

## Corporate Opportunities

We all have a duty to protect the Company's interests and to advance them whenever possible. Always refrain from using the Company's property, information or your position within DMC for personal gain.

- You must never take personal advantage of a business opportunity if it is possible that the Company may also have an interest in the opportunity, unless the Company has already been made aware of, and declined, the opportunity in writing.
- You should not take personal advantage of a business opportunity that is discovered using DMC property or information, or through your position with the Company.
- Intellectual property developed by an employee during working hours belongs to, and is an asset of, the Company, not the employee.

## Family and Personal Relationships

DMC selects all employees, vendors, suppliers and business partners on the basis of their qualifications and not on the basis of any family connections or personal friendships. You should refrain from participating in, or attempting to influence, any decisions relating to Company business dealings with individuals with whom you have a close personal relationship.

If someone with whom you have a close personal relationship works for one of DMC's competitors or an organization with which DMC is considering doing business, you must disclose this information to your supervisor.

Close personal relationships at work can be disruptive to the work environment, create a conflict or the appearance of a conflict of interest and lead to claims of favoritism, discrimination or sexual harassment. In particular, they are problematic when one employee has influence over another, such as where one party has influence over the other's employment, performance appraisal, salary, promotions or disciplinary actions. For these reasons:

- You may not hire, supervise, report to, or have influence over individuals with whom you have a close personal relationship.
- Individuals in a close personal relationship may not work under the supervision of the same manager.

### PLEASE NOTE

People with whom you have a "close personal relationship" may include:

- Spouse or partner;
- Individuals with whom you have a close emotional, physical or romantic relationship;
- Immediate family members (parents, son/daughter, brother/sister, grandparent/grandchild);
- Mothers-and fathers-in-law, sons-and daughters-in-law, brothers- and sisters-in-law;
- Cousins, uncles, aunts, nieces, nephews; or
- Any person living in the same home with you.

- If you develop a close personal relationship with a co-worker where the nature of the relationship could cause a conflict of interest or a potential problem of safety, security, supervision or morale, you should immediately bring the relationship to the attention of your supervisor.
- To avoid the appearance of impropriety, our DMC executive officers are prohibited from engaging in a romantic, sexual or close personal relationship with one another or with any Company employee. Any potential waiver of this prohibition will be subject to review and approval by the Chair of the Corporate Governance and Nominating Committee.

For additional guidance on this topic, please see the Employee Handbook for your location.

### Outside Employment and Board Memberships

Outside employment with a DMC competitor, supplier or customer almost always creates an impermissible conflict of interest. Employees must not compete with the Company and must not act as consultants, employees or board members for any DMC competitors or partners without DMC's express written authorization.

Outside work can also create a conflict of interest when it interferes with your employment responsibilities or impairs your job performance at the Company. When considering work outside of the Company, discuss it with your supervisor or the Chief Legal Officer to ensure that it does not create an actual or perceived conflict of interest. Supervisors are responsible for contacting the Chief Legal Officer to obtain a conflict of interest review if an employee discloses a potential conflict.

### Disclosing a Conflict of Interest

You must disclose all actual and potential conflicts of interest to your supervisor or the Chief Legal Officer; and, in the case of an executive officer or director, to the Chair

### Q&A

**Q:** My spouse works for a potential customer of the Company and my department is planning to submit a bid for a specific project. My spouse will be one of several individuals at this company who will be awarding the bid. Can I continue working on this bid?

**A:** No. You must disclose the familial conflict to your supervisor or the Chief Legal Officer and you are required to remove yourself from preparing the bid as well as the entire bidding process.

**Q:** I'd like to start my own business that would compete with some of the Company's customers. Can I do this?

**A:** No. This would be a conflict of interest as you are clearly putting your personal interests above the interests of the Company. Competing with our customers would likely have an adverse impact on our customer relationships and ultimately harm the Company and its reputation.



of the Corporate Governance and Nominating Committee. Supervisors shall forward such information to the Chief Legal Officer. The Chief Legal Officer or the Chair of the Corporate Governance and Nominating Committee, as applicable, will assess whether there is an actual or potential conflict or whether there could be the appearance of a conflict or violation of law, and determine how it will be handled.

If you believe that a conflict of interest is not being addressed appropriately, or that reporting the situation to the individuals listed above would not be appropriate, you should make a report pursuant to the DMC Whistleblower Policy.

If you are unsure if something is a conflict, ask your supervisor, the Chief Legal Officer or the Chair of the Corporate Governance and Nominating Committee, as appropriate.

## Insider Trading

It is a violation of U.S. federal securities laws and other trading laws to engage in transactions in DMC securities, or securities of any company, while in possession of material non-public information (“inside information”). It is DMC’s strict policy that you adhere to all applicable insider trading, disclosure and securities laws. “Securities” includes stock, bonds, options and other financial instruments, as well as puts, calls, or other options with respect to such securities.



## Q&A

**Q:** I overheard that the Company's quarterly earnings are significantly higher than expected. If I purchase shares of the Company's stock before this information goes public, I could make a lot of money. Can I buy shares of the Company's stock?

**A:** No. Buying Company stock based on non-public material information is insider trading. You may only purchase shares of Company stock after the earnings announcement is made public and after a certain period of time has elapsed, as detailed in DMC's Insider Trading Policy.

Material Information is any information that a reasonable investor would consider important in a decision to buy, hold or sell securities. If you have material information about the Company (or another company that you obtained during the course of your employment) before it is released to the public, you are considered an insider and are therefore prohibited from trading in the Company's securities (or those of the other company) prior to the information becoming public.

You must also never disclose material non-public information concerning DMC or another company to others who do not need to know it for legitimate business reasons. Disclosing this information to others, including family members, who use this information to trade or profit from, is considered "tipping" and is also a form of insider trading. It does not matter whether you derive any benefit from another's actions.

Please refer to DMC's Insider Trading Policy, which provides examples of information that would typically be considered "material," and for additional restrictions on engaging in transactions in DMC securities or securities of other companies, as well as information on blackout periods and pre-approval requirements.

## Accurate Books, Records and Financial Reporting

As a publicly traded company, we must keep accurate and complete books and records that maintain the integrity of our financial reporting and support our internal decision-making. DMC is required to disclose information regarding its financial statements and other significant events in the reports and documents it files with the SEC and in other public communications. When we publicly disclose this information, we must do so in a full, fair, accurate, timely and understandable manner. Regulators, shareholders and others rely on us to report financial and other information in accordance with these rules, and our reputation is impacted by the accuracy and transparency of our public disclosures. Any failure to provide accurate and complete information could result in civil and criminal penalties for the Company and the employees involved.

Accordingly, we require honest and accurate recording and reporting of Company information. All our books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect our transactions and must conform to applicable legal requirements, generally

accepted accounting principles and to our systems of internal controls and disclosure controls.

In addition to financial records, it's important to remember that corporate business records must also be accurate and complete. There are many business records that support our financial statements and management depends on these records to make informed business decisions.

We each have a part in maintaining the accuracy and completeness of the Company's books and records. Whether you are preparing financial disclosures, completing an expense report, using a Company credit card, recording the amount of time worked or vacation and holidays taken, you are expected to use good judgment and to be honest, accurate and complete in your recordkeeping and reporting. DMC strictly prohibits employees from creating or participating in the creation of any records that are intended to mislead anyone or to conceal anything improper. For example, no secret, "off the books," padded "slush" funds or unrecorded cash funds or other assets will be established or maintained for any purpose.

If you notice any errors in the Company's books and records, notify the appropriate personnel so the errors can be reviewed and corrected. Immediately report any suspicions of fraudulent financial activity, including false financial reporting, bribery or misappropriation of Company assets to your supervisor or the Chief Legal Officer; or, if necessary or appropriate, pursuant to the DMC Whistleblower Policy.

It is also important that we retain Company records and dispose of them in accordance with DMC's Record Retention Policy. Never modify or destroy records in an attempt to conceal improper actions and never dispose of records that may be relevant to an investigation or subject to a litigation hold.

## Q&A

**Q:** I included in my Expense Reimbursement Request form the sizable "fees" the local building official required at the last minute when I was visiting the new plant expansion project in China. I was told we could not get the building permit without the fee, although our Chinese legal counsel never mentioned such a fee. I felt I had to pay it on the spot, but I don't think it should come out of my pocket. I don't want to get in trouble if I wasn't supposed to pay it, so I put it under customer entertainment. No one ever questions those costs.

**A:** You have a duty to be honest and accurate. These actions are a clear violation of our "Accurate Books, Records and Financial Reporting" requirements and likely violate our Anti-Bribery Policy, the FCPA, the Sarbanes-Oxley Act and similar foreign laws. You should immediately report the fee to your supervisor so it can be assessed and expensed correctly.





## Political Contributions

We respect the rights of our employees to participate in political, civic and other activities, and we encourage our employees to support issues and political parties of their choice. However, your participation should be on your own time and at your own expense. No Company funds or other resources or services, including time during normal working hours, may be used or given, either directly or indirectly (including through lobbyists), on behalf of any political party, campaign or candidate for public elective office, unless there is prior written approval by the Chief Legal Officer and the Chief Executive Officer and such payment or contribution is in compliance with DMC's Anti-Bribery Policy.

### Q&A

**Q:** Our Company has been asked to make a donation to a local political party. It is not for any specific candidate, but the governor is a member of the party, and he has been very supportive of the Company in the past. Can we make a donation?

**A:** You should direct your question to the Chief Legal Officer. Any donation of Company funds to a political cause must be in compliance with DMC's Anti-Bribery Policy and approved by the Chief Legal Officer and the Chief Executive Officer prior to being made.

## Antitrust

DMC complies with all antitrust and competition laws of all states and countries in which we operate. Antitrust and competition laws are generally designed to preserve and promote fair competition and the integrity of the marketplace. Accordingly, we prohibit any conduct that would interfere with fair competition and that would violate, or even appear to violate, the antitrust laws' underlying principles of preserving and promoting fair competition.

Such laws forbid any kind of understanding or agreement between competitors with respect to prices, terms of sale, division of markets, allocation of customers, bid rigging or any other activity that restrains competition. These laws also require that individuals and businesses make independent business decisions without consultation or agreement from competitors. DMC prohibits any officer, employee, or agent, whatever his or her position, from departing from DMC's policy or to condone a departure by anyone else.

Be aware that certain kinds of information such as pricing, production and inventory, should never be exchanged with competitors, regardless of how innocent or casual the exchange may be and regardless of the setting. The fact that you may have thought you were acting in DMC's best business interest will not be accepted as an excuse for conduct that violates the antitrust laws and our Antitrust Policy. Violations can result in substantial liability for individuals and/or the Company as well as disciplinary actions, including termination.

The antitrust and competition laws are complex and understanding the requirements in the various countries in which we operate can be difficult. You are urged to seek assistance from your supervisor or the Chief Legal Officer whenever you have a question relating to these laws. For further information, please refer to DMC's Antitrust Policy.

### Q&A

**Q:** I attended a trade association meeting and someone said: "The marketplace is putting pressure on pricing in our industry. Just the other day XYZ Customer, Inc. said our competitors were dropping their prices by 10-20%. Have you dropped your prices?" I got a phone call and left the room, but what should I do if that happens again?

**A:** You must immediately leave the room and notify the Chief Legal Officer. Under no circumstances should you discuss our prices or even just listen to the ensuing conversation, as this could be a criminal violation. If such unwanted competitor contact should occur, you should confer immediately with your supervisor. In this manner, we can successfully prevent misinterpretation of your good intentions by those who may be motivated to place a different interpretation on your actions.

## Anti-Bribery/Anti-Corruption

The Company is committed to conducting its business with honesty and integrity, and in full compliance with anti-corruption and anti-bribery laws and regulations, including the U.S. Foreign Corrupt Practices Act (“FCPA”) and other laws that prohibit improper payments to obtain a business advantage.

Because the Company is a U.S. corporation, it is liable for the actions of all of its subsidiaries worldwide under the FCPA. The FCPA prohibits giving money or other valuable items to a foreign official or an intermediary for the purpose of influencing a foreign government. The definition of “foreign official” under the FCPA is broad, and can include employees of non-U.S. governments, departments, agencies, state owned enterprises, or public international organizations, or any person acting in an official capacity on behalf of any such entities, as well as non-U.S. political parties or officials thereof or candidates for political office. The FCPA also requires books and records to be kept accurately.

Various other countries have adopted anti-corruption and anti-bribery laws, many of which have even wider application than the FCPA. Several of these laws prohibit commercial bribery in addition to bribery of government officials.

In light of the foregoing, the Company has adopted an Anti-Bribery Policy under which the Company and its employees and third parties working on the Company’s behalf are prohibited from giving or offering to give anything of value to any government official or any other person to improperly influence an act or decision, or to secure an improper advantage, or to otherwise improperly obtain or retain business for the Company. Please note that this prohibits U.S. and foreign commercial bribery as well as bribery of foreign government officials. For more detailed information, please refer to DMC’s Anti-Bribery Policy and Procedures.

### Q&A

**Q:** We are trying to get licensed to do business in China. We were informed by a consultant with whom we are working that if we paid a special processing fee to the government agent in charge of issuing such licenses, we could obtain our permit more quickly. Should we pay this fee?

**A:** No. The FCPA prohibits giving money to a foreign official for the purpose of influencing a foreign government, except under very restrictive guidelines. The Company’s policy prohibits making any such payments.

## Export and Import Controls

As a global company, we are subject to a variety of trade compliance laws. The import and export laws of the United States and other countries where we operate are complex and change frequently with international events. There are restrictions on exports to certain countries, as well as on trading with certain individuals and companies. Also, products sold that can be used in military, nuclear, chemical, biological or laboratory applications have special limitations. The lists of those companies or people with whom we cannot trade or countries for which trade requires a license are constantly updated.

An “export” is a shipment or transmission of items, data or technology out of a country or to a foreign national. A “transmission” can include normal shipping, transportation by an international traveler, facsimile, e-mail, internet or provisions of access to technical data or technology to a foreign national in the U.S. And “items” can include goods or commodities, software or technology/know-how. An “import” is when we bring such items into a country from another country.

Import controls give countries the ability to control the goods and services entering their jurisdiction and operate in a similar fashion to export controls. It is important therefore to consider carefully the duties that apply on importation and the rules that need to be followed on documentation.

It is DMC’s policy to comply with all applicable export and import laws in the countries in which we do business. We will not make any sale or purchase or become involved in any transaction that is prohibited by applicable export or import controls laws, sanctions, or embargo laws.

Due to the complexity and frequently changing laws, you are required to check with your local import or export personnel, as applicable, before importing, exporting or re-exporting the Company’s products in order to ensure full compliance with these laws.

For further information relating to exports or imports, refer to DMC’s Global Export Compliance Policy and/or DMC’s Global Customs and Import Compliance Policy.

## Boycotts

Under U.S. law, we are prohibited from cooperating with any request regarding a boycott of a country that is friendly to the U.S., including providing any information that would support such a boycott. We are also required to report to the U.S. government any requests we receive to support a prohibited boycott. You should therefore not take any action that could be viewed as participating in, or providing information for, a prohibited boycott. If you receive a boycott related request, you are required to immediately report it to the Chief Legal Officer.



## Confidential Information

At DMC, we utilize proprietary and confidential information in our daily operations. In some cases, we own the information and unauthorized disclosure could give an unfair business advantage to our competitors. In other cases, we have been entrusted with the proprietary and confidential information of others. Disclosure of the confidential and proprietary information entrusted to DMC by others could severely impact the integrity of the Company and expose us to substantial liability and unnecessary costs.

Examples of confidential and proprietary information may include, but aren't limited to, business plans, technical data, financial information, product specifications or pricing, new product development ideas, personal information of our employees and customers, and information provided by our business partners under a confidentiality or non-disclosure agreement.

Each of us is obligated to protect the Company's confidential and proprietary information, whether it is our own or belonging to a third party. You may not use such information for personal gain or outside of the terms of any confidentiality or non-disclosure agreements. Disclosing this information to anyone outside of the Company is strictly prohibited unless it is expressly authorized by your manager or other appropriate personnel. Disclosing this information to other employees of the Company who do not have a legitimate business reason to know such information is also prohibited. In an effort to safeguard and prevent inadvertent disclosure of the Company's confidential and proprietary information, each of us has a duty to securely store this information and to never discuss or review it in public.

Keep in mind that all new hires and current employees who are exposed to the Company's confidential and proprietary information and/or its business partners are required to sign a non-disclosure agreement. In addition to prohibiting unauthorized disclosure of the Company's confidential and proprietary information, this agreement also prohibits you from using or disclosing confidential and proprietary information you learned prior to your employment with DMC for the benefit of DMC. We compete using the strengths of our products and services, not unfair advantages.

### Q&A

**Q:** I received a memo that contained confidential business information. Can I share it with a coworker that I trust?

**A:** No. You should only share confidential business information with those employees who are authorized to have such information and who need to know the information to perform their job.

To perform your job duties, you may be provided special access to confidential personal data, including wage, salary, benefit and other confidential information related to individual employees, contractors, directors, shareholders, customers or other business partners. If so, you are prohibited from sharing this data with anyone, including another DMC employee, who does not have a legitimate business purpose for receiving the information.

## Use of Company Assets

At DMC, we do not use Company assets for personal gain, and we safeguard them from loss. DMC provides its employees with access to Company assets in order to conduct the Company's business in an efficient manner. Company assets include tangible assets and intangible assets. Tangible assets include, but are not limited to, facilities, vehicles, raw materials, money, equipment, computers, phones and information technology. Intangible assets include, but are not limited to, intellectual property, trade secrets, invention disclosures, sensitive business and technical information, computer programs and business and manufacturing know-how. Company assets are expected to be used properly and as authorized by management.

We each have an obligation to protect Company assets from abuse, waste and theft, which erode the Company's profitability and success. Examples of these activities include, but are not limited to:

- Using Company-owned or leased equipment or software for personal matters (other than incidental personal use).
- Inappropriate use of the Internet and excessive personal use of the Internet or other research resources.
- Accessing the systems of another entity without express written authorization from the entity.
- Trafficking in contraband of any kind.
- Committing any unlawful or illegal act in violation of applicable law, including espionage, harassment, libel, fraud or the sending of unsolicited bulk emails, text messages, faxes, or other electronic communications, not sanctioned by the Company (also known as "spam").

### Q&A

**Q:** I have side business and I use the Company computer for my business communications and related activities during off-work hours. Is this acceptable?

**A:** No. Excessive personal use of Company assets is prohibited, even if it is not illegal or otherwise detrimental to the Company.

**Q:** I am concerned that my supervisor may be stealing from the Company. I'm not sure and I don't want to falsely accuse anyone. What should I do?

**A:** Report your concerns, including relevant details, to the Chief Legal Officer; or, if necessary or appropriate, pursuant to the DMC Whistleblower Policy.

All electronic data stored on Company computers or similar Company assets are the property of the Company. While we may allow reasonable personal use of our technology resources such as computers and phones, you should have no expectation of privacy in these instances. Keep in mind that the Company has the right, when permitted by applicable law, to access, review, monitor and disclose any information that you transmit, receive or store using its computers or other Company resources, with or without a third party's or your knowledge, consent or approval. This includes all data residing on or transmitted through e-mails and other electronic communications.

Any misuse or suspected misuse of Company assets must be immediately reported to your supervisor or the Chief Legal Officer; or, if necessary or appropriate, pursuant to the DMC Whistleblower Policy.

## **Public Disclosures**

At DMC, we have designated Company spokespersons to speak on behalf of the Company. This ensures that only accurate, consistent and complete information is disclosed to the public. Also, all public disclosures of material information concerning the Company are made through specific limited channels to ensure there is equal access to the information. Unless you are authorized to do so, you are prohibited from making any public statements on behalf of the Company or from making any public disclosures of material information.

You should refer all requests for financial information, media inquiries and public requests for information to the Chief Financial Officer or the VP of Investor Relations and Corporate Communications. All inquiries from government and regulatory agencies should be referred to the Chief Legal Officer. Keep in mind that when you are speaking about the Company on the Internet or in any online forum, you are required to comply with DMC's Social Media Policy.

## **Privacy and Data Security**

During the course of your employment at DMC, you may have access to confidential, personal or proprietary information that requires safeguarding. You must follow applicable privacy and data security laws and our own privacy and security policies when handling sensitive personal or proprietary information.

You should never share personal information without authorization, or use it for anything other than DMC-related business purposes. Failure to maintain the confidentiality and security of personal data will lead to disciplinary action, up to and including termination of employment.

### **Protecting Personal Information**

DMC is committed to maintaining the privacy and security of personal information. DMC will collect, transmit, disclose or use personal information only in compliance with local law and only for legitimate business purposes. The Company will only collect the amount of personal information that is needed and will not keep the personal information longer than necessary. Safeguarding personal information



about individuals includes maintaining the confidentiality of names, ages, nationalities, bank account information and other personal data as defined in applicable laws.

Employees who have access to, or work with, personal information are responsible for handling information appropriately and taking all reasonable steps to preserve its confidentiality. We have adopted security procedures to protect personal data from unauthorized access and use.

If your position at DMC gives you access to employees' personal information, always remember that it is confidential and must be protected at all times.

### **Protecting the Confidential Information of Third Parties**

The information that we collect and store about customers, vendors and other third parties is also confidential and sensitive in nature. This data must only be utilized for business purposes. We have adopted security procedures to protect stored proprietary data from unauthorized access and use.

#### **WHAT IS PERSONAL INFORMATION?**

Some common examples of confidential personal information include:

- Bank account numbers
- National insurance numbers
- Social Security numbers
- Employment files
- Medical records
- Financial or expense records
- Trade union memberships



APPENDIX A

REPORT OF COMPLIANCE

I have read DMC Global Inc.'s Code of Ethics and Business Conduct (the "Code") and agree to be bound thereby.

During the past twelve months (or, if shorter, for the length of time I have been employed by or served as an employee, officer or director of DMC or any of its subsidiaries):

(1) I have been and am in full compliance with the Code and I am not aware of any violations by others that have not been reported (indicate below any exceptions), and

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(2) To the best of my knowledge, all members of my immediate family (as applicable) and all employees reporting to me are in full compliance with the Code (indicate below any exceptions).

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Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Position \_\_\_\_\_

Company/Subsidiary Name \_\_\_\_\_

Date \_\_\_\_\_

Return to:

DMC Global Inc.

11800 Ridge Parkway, Suite 300

Broomfield, CO 80021

or

Code@dmcglobal.com