

DMC GLOBAL INC.

WHISTLEBLOWER POLICY

INTRODUCTION

DMC Global Inc. and its subsidiaries (the “Company”) are committed to maintaining the highest standards of business conduct and ethics in its business activities and in its accounting standards and disclosures, internal accounting controls and audit practices. It is the policy of the Company to comply, and to require its directors, officers, and employees to comply, with all applicable legal, regulatory and stock exchange requirements relating to the Company business and to corporate reporting and disclosure, accounting and auditing controls and procedures, securities compliance and other matters pertaining to fraud (the “Applicable Rules”). Every employee is responsible for assisting the Company in meeting these requirements.

The Company’s Code of Ethics and Business Conduct (the “Code”), other corporate policies, internal controls and corporate reporting and disclosure procedures and internal policies relating to accounting standards and disclosures, internal accounting controls, or matters related to the internal or external audit of the Company’s financial statements (collectively, the “Corporate Policies”) are intended to prevent, deter and remedy any violation of the Applicable Rules. Even the best policies and systems of control and procedures, however, cannot provide absolute safeguards against such violations. The Company has a responsibility to investigate, and in some circumstances report to appropriate governmental authorities, violations of the Applicable Rules and the actions taken by the Company to remedy such violations.

This policy governs the process through which employees and others are encouraged to report their concerns of potential violations of the Applicable Rules and Corporate Policies. In addition, this policy establishes a mechanism for responding to, and keeping records of, complaints from employees and others regarding such potential violations.

Nothing in this policy shall be deemed to modify in any way the employment relationship between the Company and any of its employees or to create any legal or contractual rights or guarantees. The Company reserves the right to amend, alter or terminate any provision of this policy at any time.

REPORTING ALLEGED VIOLATIONS OR CONCERNS

If an employee reasonably believes that a Company employee or other person acting on behalf of the Company has violated any Applicable Rules or Corporate Policies (a “Potential Violation”), the employee is encouraged to report the Potential Violation according to the relevant reporting procedure set forth in the applicable Corporate Policy, if any. Alternatively, the employee may promptly report the Potential Violation as follows:

- 1. Accounting and Auditing Matters.** Potential Violations related to the Company’s accounting, internal accounting controls, or auditing matters should be reported to the Chair of the Audit Committee (the “AC Chair”), who can be reached as follows:

Ms. Ruth Dreessen
Chair, Audit Committee
Telephone: (713) 889-2135
E-mail: rdreessen@dmcglobal.com

2. Code of Conduct and Corporate Policy Matters. Potential Violations related to the Company's Code and Corporate Policies that are not related to accounting and auditing matters, should be reported as follows:

(a) **Employee's Supervisor.** Each employee is encouraged to report these matters to his or her supervisor. In many cases, supervisors may have the information the employee needs or may be able to refer the question to another appropriate source. Upon receiving a report of a Potential Violation from an employee, supervisors are required to immediately report the Potential Violation to the Chief Legal Officer.

(b) **Chief Legal Officer.** If for any reason an employee prefers not to report a Potential Violation to his or her supervisor, the employee is encouraged to report his or her concern directly to the Chief Legal Officer, who can be reached as follows:

Michelle Shepston
Chief Legal Officer
Telephone: (303) 604-3944
E-mail: mshepston@dmcglobal.com

(c) **Corporate Governance and Nominating Committee.** If for any reason an employee feels it is not appropriate to report a Potential Violation to his or her supervisor or the Chief Legal Officer, such employee may report a Potential Violation to the Chair of the Corporate Governance and Nominating Committee (the "CG&NC Chair"), who can be reached as follows:

Ms. Ouma Sananikone
Chair, Corporate Governance and Governance Committee
Telephone: (646) 623-6034
E-mail: osananikone@dmcglobal.com

3. Code of Conduct and Corporate Policy Matters Concerning Officers and Directors. Potential Violations related to the Code or Corporate Policies that involve officers or directors of the Company and that are not related to accounting and auditing matters, should be reported directly to the CG&NC Chair, who can be reached as set forth above.

4. Compliance Hotline. Employees may also make anonymous reports of Potential Violations through the Company's web-based and telephone hotline at dmcglobal.ethicspoint.com or arcadia.ethicspoint.com (the "Compliance Hotline"). Once an employee selects the relevant country information, he or she can proceed to either file a report online or dial a toll-free number and speak with an independent third party who will transcribe the information. All reports of Potential Violations made through the Compliance Hotline are

reviewed by the Chief Legal Officer; and, where appropriate, the AC Chair or the CG&NC Chair.

CONFIDENTIALITY OF REPORTS

All reports of Potential Violations, whether or not they were submitted anonymously, will be kept in strict confidence to the extent possible, consistent with the Company's need to conduct an adequate investigation. Further, any reports that contain personal information will be protected and will only be used for the purpose of any investigation, proceeding, or disciplinary action regarding a Potential Violation. An individual may request appropriate access to his or her own personal information collected in a report of a Potential Violation in order to make any necessary corrections to such personal information.

Reports of Potential Violations should be factual, rather than speculative or conclusory, and should contain as much specific detail as possible to allow for proper assessment. The report should clearly set forth all the information the employee knows about the Potential Violation. In addition, the report should, to the extent practicable, contain sufficient corroborating information to support the commencement of an investigation.

The Company may, in its reasonable discretion, determine not to commence an investigation if a report contains only unspecified or broad allegations of wrongdoing without appropriate factual support.

INVESTIGATION OF COMPLAINTS

Upon receipt of a report of a Potential Violation, the Chief Legal Officer, AC Chair or CG&NC Chair, as applicable, will make a determination as to whether a reasonable basis exists for commencing an investigation into the conduct alleged in the report. If the Chief Legal Officer, AC Chair or CG&NC Chair concludes that an investigation is warranted, he or she shall take appropriate measures to implement a thorough investigation of the allegations. The Chief Legal Officer, AC Chair and CG&NC Chair shall have the authority to obtain assistance from the Company's management, counsel or auditors, or to retain separate outside legal or accounting expertise as he or she deems necessary or desirable in order to conduct the investigation.

The Chief Legal Officer will communicate all reports of Potential Violations concerning the Code and Corporate Policies to the Corporate Governance and Nominating Committee, as she deems appropriate. The AC Chair and CG&NC Chair will, at each regular meeting of the Audit Committee and Corporate Governance and Nominating Committee, respectively, discuss the status of any ongoing investigation and review the resolution of each report submitted during the previous quarter, whether or not the report resulted in the commencement of a formal investigation.

All individuals involved in the investigation of a Potential Violation, including the employee who submitted a report of a Potential Violation (if such report was not submitted anonymously), the employee's supervisor, the Chief Legal Officer, the AC Chair, the CG&NC Chair and all members of the respective committees and any other advisor who may be involved in the investigation of a Potential Violation, shall maintain the confidentiality of the Potential

Violation and facts surrounding the reporting thereof, including any related documents, except where disclosure is necessary to conduct or further the investigation of the Potential Violation or to address the findings of such investigation, or is permitted by Company policy or applicable law.

CORRECTIVE ACTION

The Chief Legal Officer, AC Chair and CG&NC Chair, as appropriate, is ultimately responsible for determining the validity of each complaint and fashioning, with the input of its advisors and Company management, if requested, the appropriate corrective action. The Chief Legal Officer, AC Chair and CG&NC Chair, as appropriate, shall report any legal or regulatory noncompliance to Company management and ensure that management takes corrective action including, where appropriate, reporting any violation to relevant governmental authorities.

Any director, officer, or employee deemed to have violated any Applicable Rule, or any internal policy regarding accounting standards and disclosures, internal accounting controls, or matters related to the internal or external audit of the Company's financial statements, may be subject to disciplinary action, up to and including termination.

NO RETALIATION

The Company will not tolerate retaliation or discrimination of any kind by or on behalf of the Company and its employees against any employee making a good faith report of, or assisting in the investigation of, any Potential Violation. This policy is in no way intended to limit employee reporting of any Potential Violation to proper governmental and regulatory authorities, including the Securities and Exchange Commission, or limit an employee's participation in any investigation or proceeding that may be conducted by such governmental and regulatory authorities, including by providing documents or other information. Employees do not need prior authorization to take such actions and are not required to notify their supervisor or any other representative of the Company that they have taken any such actions.

RETENTION OF COMPLAINTS AND DOCUMENTS

The Committee shall retain all documents and records regarding any report of a Potential Violation for a period of five (5) years; provided, however, that any personal information contained in such documents will be kept no longer than is necessary or advisable to complete the investigation or conclude any proceedings or disciplinary measures related to such Potential Violation. It is illegal and against the Company's policy to destroy any corporate audit or other records that may be relevant to an investigation by the Company or any federal, state or regulatory body of a Potential Violation.

COMPLIANCE WITH THIS POLICY

All employees must follow the procedures outlined in this policy and cooperate with any investigation initiated pursuant to this policy. Adhering to this policy is a condition of employment. The Company must have the opportunity to investigate and remedy any alleged violations or employee concerns, and each employee must ensure that the Company has an opportunity to undertake such an investigation.

This policy should not be construed as preventing, limiting, or delaying the Company from taking disciplinary action against any individual, up to and including termination, in circumstances (such as, but not limited to, those involving problems of performance, conduct, attitude, or demeanor) where the Company deems disciplinary action appropriate.