

# CODE OF ETHICS

## SECTION 1

### Introduction

Kaspien is committed to the highest standards of ethical and professional conduct. We are all responsible for the integrity of our Company. Building the trust and credibility of the organization means taking personal responsibility for our own actions, honoring our commitments, and continuing to do the right thing because it is the right thing to do.

To help you understand how these standards apply to you and your teammates, the Code of Ethics provides basic guidelines of business practice and professional and personal conduct you are expected to adopt and uphold as a Kaspien employee.

While no manual can replace thoughtful decision-making by the people who work here, the Code of Ethics does help promote honest and ethical conduct. The attitudes and actions of managers, in particular, influence the attitudes and actions of other employees. Their words and actions must show that business results are never more important than our ethical standards. They must ensure that employees are trained in our Code of Ethics and in related topics and policies.

### **MAKING SOUND DECISIONS**

Countless decisions are made every day. Every decision we make as a Company and as employees impacts our organization, fellow employees, our customers and our communities. Making decisions is not always easy. In many situations the right result is less than clear-cut, or you may be facing time or other business pressures that impact your decision-making process. Regardless of the nature of a particular decision, keep the following in mind to help you make informed, thoughtful decisions.

- Make sure you have all the facts, both positive and negative.
- Identify all potential options and their consequences.
- Take into account relevant laws, policies and values.

- Involve others by escalating in a timely manner to a manager, director or executive.
- Consider competing interests.
- Consult the with an expert.

Keep in mind that whenever there is any internal investigation or audit, including Code of Ethics, financial reporting or employee relations issues, employees will fully cooperate in the investigation, provide truthful, honest and complete responses, and maintain the confidentiality of the investigation.

Each of us is responsible for reading, understanding and applying the Code of Ethics. Complying with the Code of Ethics is a condition of employment at Kaspian. Failure to follow its standards or failure to report a known violation can lead to disciplinary action, based on the violation, up to and including termination of employment.

## **REPORTING CERTAIN CONDUCT**

All of us are expected to promptly raise concerns that we or others have about possible violations of law, the Code of Ethics or other improper conduct such as:

- A crime.
- A violation of law or regulation.
- A dishonest act, including misappropriation of funds or anything of value from Kaspian or the improper recording of Company assets or liabilities.
- A breach of trust.
- Harassment involving race or national origin, gender, religion, sexual orientation, age, disability, veteran or marital status, or any other basis prohibited by law or as a form of retaliation.

Kaspian has made several resources available for you to express concerns:

- Contact Kaspian's VP of Human Resources or Director of Compliance. Their contact information is listed in Section 7 of this document.
- Send a confidential e-mail to the Ethics Hotline which is monitored by a Kaspian Board Member by using the following address: [ethics@kaspian.com](mailto:ethics@kaspian.com)

- Concerns may be made via anonymous phone call to our Ethics Hotline phone number: 1-800-267-3206. As a general rule, no effort will be made to identify persons who communicate in this manner. All concerns will be kept confidential and only shared with those involved in an investigation, and the Kaspian Executive Committee or Board of Directors, as necessary.

## **NON-RETALIATION**

Kaspian will not tolerate any adverse action or career disadvantage suffered by an employee because he, she or they question(s) a Kaspian or business unit practice or raises a suspected violation in good faith. Kaspian will take appropriate disciplinary action against anyone who retaliates or encourages others to do so because of a reported suspicion of a Code of Ethics violation.

Creating a culture of openness and candor, one in which we treat each other with the dignity and respect we all deserve, ensures a strong and vital organization.

## **NONDISCLOSURE**

Employees must understand and acknowledge that during the course of their employment they will have access to the Company's trade secrets and confidential information. The Company's trade secrets and confidential information include, but are not limited to, customer lists, customer contact information, and preferences, prospect lists, prospect and marketing research materials, technical information, business information and plans and manner of conducting business, pricing information, employee lists and confidential information regarding Company employees, and similar information where: (a) such information has been treated as confidential by the Company, or (b) such information is not publicly available and could be used in order to gain competitive advantage ("Confidential Information"). Employees must agree Confidential Information may be used only for the benefit of the Company. Further, employees must agree that, except as authorized by the Company during the course of employment, they will not, at any time during or after cessation of their employment, use, disclose, or disseminate to any other persons, organization or entity or otherwise employ any of the Company's trade secrets or confidential information. The obligations set forth in this paragraph do not apply to any trade secrets or Confidential Information which have become generally known to competitors of the Company through no act or omission of the employee.

# SECTION 2

## Respectful Treatment

We commit to treating each other with dignity and respect at all times. All Kaspian employees receive fair opportunity and are judged only on their qualifications, talents, and achievements.

We disapprove of any negative or disparaging behavior that is based on stereotypes of race or ethnicity, gender, religion, sexual orientation, age, disability, veteran or marital status – not only because these categories are often protected by laws, but also because diversity creates a rich company culture and provides us all with opportunities to learn.

### **EMPLOYEE DATA PRIVACY**

Kaspian maintains strict information-sharing standards with internal lines of business, service providers and outside marketers.

Kaspian does not share confidential employee information (including but not limited to social security number, date of birth, compensation information, employment status and personnel and payroll records regarding current and former employees) inside and among our Company and our equity owners or outside the Company except on a need-to-know basis.

With the approval of the VP of Human Resources, and Director of Compliance, the Company may share confidential and proprietary employee information on a legitimate need-to-know basis.

Kaspian does share confidential and proprietary employee information with their parties, as allowable and as required by law, under limited circumstances, such as responding to subpoenas issued by governmental agencies or working with companies that provide or administer employee personnel or employee benefits services to Company employees. Such external entities are required to protect employee information and to use the information only to provide the services they have been engaged to perform for Kaspian.

# SECTION 3

## Use of Company Assets

Employees must properly care for and protect Kaspian property and assets, which should be used for legitimate business purposes only. Employees must not:

- Steal, embezzle or misappropriate money, funds or anything of value from Kaspian. Doing so subjects the employee to potential disciplinary action, according to the law and Company policy.
- Use Kaspian assets for personal gain or advantage.
- Remove Kaspian assets from the facilities unless approved by the employee's manager.
- Use official Kaspian letterhead, the corporate brand, documents or the Kaspian name for nonofficial purposes, since such use implies endorsement by the Company.
- Misuse internet or e-mail privileges. The Company's private computer systems are primarily for business purposes and are subject to review, monitoring and recording at any time without notice or permission.

Remember, any assets (e.g. intellectual property, such as copyrighted materials) and employee creates for Kaspian or while using Kaspian resources are the Company's property, and remain its property even if the employee leaves Kaspian.

### **RECORD-KEEPING, REPORTING AND COMMUNICATIONS**

We keep honest and complete records. These records are the basis for managing the Company's business and for fulfilling our obligations to employees, customers, suppliers and regulatory authorities. We conform to our internal controls, to regulations, and to approved accounting practices. Our financial records are accurate, timely and do not exclude, disguise or mislead. Where estimates and accruals are necessary in Company reports and records, we will support them with good, honest judgement and appropriate documentation.

All documents and records will be clear, concise, accurate and appropriate, and will avoid exaggeration and derogatory remarks of people and companies. It is wrong to make false claims on any Company records, including expense reports and time sheets, to understate or overstate known assets or liabilities or to delay or accelerate the recognition of income or expenses. When

an employee ends their employment with Kaspian, all company records in their possession must be immediately returned to the Company.

Our documents are to be kept and destroyed according to our document retention policy. However, when there is a pending or possible audit, government investigation, claim or litigation, we may be responsible for retaining all documents (including e-mails) related to the investigation, despite any normal document destruction schedule. If you have questions or concerns, please seek guidance from the Compliance Department.

## **INTELLECTUAL PROPERTY**

Some of our most valuable assets are not in tangible form, but instead are intellectual property, which includes trademarks, service marks, patents and copyrighted material. Also included is confidential, proprietary information, such as trade secrets, customer lists, computer software and source code, sales and profit data, and strategic and business plans (for instance, possible mergers and acquisitions). Since our Company's continued success depends on the careful development, use and protection of our intellectual property, we have a duty to protect it. We must take care not to discuss it where others may hear. We must also be sure not to transmit it in any form, or to any recipient, where unauthorized persons might receive it. Before transmitting intellectual property outside the company, including to a consultant or contractor, obtain approval from the Chief Financial Officer. Our obligation to preserve the confidentiality of Kaspian's proprietary information continues even after we are no longer employees of the Company. In the course of performing our job functions, we may receive information about possible transactions with other companies or receive confidential information about other companies. This type of material is often their intellectual property and is subject to the same confidentiality guidelines. If you have any questions around the confidentiality of the information including whether you can share it and with whom, please consult the Compliance Department before discussing with anyone.

## SECTION 4

### Our Commitment to our Customers

Our customers are our lifeblood; they place their trust in us for the most critical functions of their business. We honor that trust every day by focusing on what is important to them, not

what is convenient for us, and ensuring that our promises to them and our actions on their behalf are inseparable.

## **FAIR DEALING**

Our customers trust us to meet their needs in a meticulously accurate, professional manner. We uphold that trust and build on it every day, with each customer transaction. We treat all our customers with the greatest respect, recognizing that the smallest details of a customer transaction can be the utmost importance to their lives and livelihood.

We will not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

Our sales and marketing information will accurately and honestly present the quality of our goods and services. We obey all laws, including those related to fair competition, and hold vendors who assist us in our business efforts to the same high standards.

## **CUSTOMER PRIVACY**

We are committed to protecting the privacy of individually identifiable personal information that we receive or process while providing services to our clients (“Personal Information”). We collect, use and share Personal Information in accordance with our client contracts and any privacy laws that apply to us.

## **SALES PRACTICES**

Kaspian is committed to conducting business in a manner that protects the best interests of the Company, while providing the best possible service to our customers. To that end, employees are prohibited from participating in any unethical or potentially deceitful sales practices that may cause harm to the Company. This includes but is not limited to practices such as “churning” (e.g. closing of an existing account to reopen another account, or awareness of an existing account and closing it and reopening with another signor), holding deals back from closing to allow for a bonus, intentional misrepresentation of information on new customer applications, anti-competitive behaviors, etc.

## **CONFLICTS OF INTEREST**

Conflicts of interest arise when employees take actions or have interests that may make it difficult to perform their Company work objectively and effectively. To avoid conflicts of interest, all our business decisions must be based on the best interests of Kaspian. If we encounter situations that are, or may even appear to be, conflicts of interest, we should discuss them with our manager or other available resources. Where there is a doubt it is best to raise the issue.

Employees must avoid conflicts – or even the appearance of conflicts – between personal interests and the interests of Kaspian, its shareholders or customers. It is impossible to define every action that could be reasonably interpreted as a conflict of interest. This section defines several potential conflicts of interest as examples that employees must be aware of:

- Gifts, hospitality and entertainment
- Information disclosure and dissemination
- Outside activities and relationships
- Romantic relationships with supervisors, subordinates, or customers
- Service Providers

Conflicts of interest also arise when employees or their family members receive improper personal benefits as a result of their position in the Company. Kaspian employees must recognize that conflicts of interest may occur when personal interests or activities compete or interfere – or even appear to compete or interfere – with their obligations to the Company, its shareholders or customers.

Conflicts of interest also may arise when putting the interest of one set of customers over another. Such situations might interfere with an employee's judgment or ability to properly fulfill his or her Kaspian duties.

Employees during their employment at Kaspian may not attempt to influence or inflate customers' ratings, feedback, and reviews. You may request feedback and reviews from your own customers in a neutral manner, but may not:

- Pay for or offer an incentive (such as coupons or free products) in exchange for providing or removing feedback or reviews
- Ask customers to write only positive reviews or ask them to remove or change a review
- Solicit reviews only from customers who had a positive experience
- Review your own products or a competitors' products

Some general considerations for identifying potential conflicts of interest:

- Perception: Could the activity or transaction be perceived as a potential conflict by others? If all the related facts were made public, would you or the Company be embarrassed?
- Intent: Is the activity or transaction being offered in an attempt to influence the recipient's judgement?
- Impact: Will your participation in the activity or transaction result in actionable harm to the Company, or our owners or our customers?
- Objectivity: Will participation in the activity or transaction affect your ability to be objective with regard to any decision made in the legitimate exercise of your job responsibilities?
- Time considerations: In an outside activity, will the time required interfere with your ability to carry out your job responsibilities effectively?

## **SERVICE PROVIDERS**

A conflict of interest may arise from an employee's relationships with vendors or other service providers. If an employee is authorized to approve or award orders, contracts or commitments to suppliers of goods or services, he, she or they must do so based on objective business standards to avoid any real or perceived favoritism.

## **OUTSIDE INVESTMENTS AND EMPLOYMENT**

Our duty of loyalty means that our business-related activities and our investments must never be harmful to Kaspian. For instance, employees may not take an outside job if it involves competition with Kaspian, or if it interferes with their ability to conduct their work and perform the duties required for their role, including attending meetings during work hours, or using Company facilities or equipment. We may not serve as officers or directors of any outside entity

if its activities conflict with the interests of Kaspian, or if its time demands interfere with our job. Nor may our investments conflict with, or appear to conflict with, the best interests of the Company. Employees may not take for themselves personal opportunities that they find through the use of Company property, information or position, or use Company property, information or position for personal gain. After consulting with your manager and if you still have questions, consult with the Human Resources Department prior to serving as an officer or director of an outside entity to ensure compliance with this policy. Participation in community organizations or sports clubs after work hours is not generally considered a conflict of interest; however, if you are unsure please speak with your manager.

### **OUTSIDE ACTIVITIES AND RELATIONSHIPS**

A conflict of interest may arise from your activities, employment or other relationships outside Kaspian. You must not act on behalf of or appear to represent the Company in any transaction outside your role and responsibilities with Kaspian. Inform your manager and obtain their approval before you:

- Pursue additional employment outside Kaspian.
- Engage in an independent business venture.
- Perform services for another business organization.

### **PERSONAL RELATIONSHIPS**

Our business decisions should not be clouded by personal considerations or relationships. You may not use personal influence to get Kaspian to do business with a company in which you, your family members or friends have an interest. If you are in a position of influence over vendor selection and a family member or friend has the best price for Kaspian, you must receive the approval of the Human Resources Department before selecting them.

### **GIFTS AND ENTERTAINMENT**

The giving and receiving of gifts and entertainment can sometimes be meant as a business courtesy to help build business relationships. However, providing and receiving gifts and entertainment can be tricky. On the one hand, human interaction is not only essential for doing business, it is valuable and healthy for both the Company and employees. Small tokens of appreciation and social gatherings are often a part of business interaction. On the other hand, the personal relationships we may form must not make us lose sight of the fact that our business

decisions must be based only on what is best for the Company. Providing and receiving gifts and entertainment in your capacity as a Kaspian employee is not prohibited at Kaspian. Gifts and entertainment must be moderate and reasonable in all instances (considered to be less than \$100 U.S. dollars).

We never accept, provide or offer kickbacks, bribes or gratuities. Kickbacks include remuneration or benefits (such as money, gifts, gift cards, etc.) offered or received by Kaspian employees in exchange for facilitation of business transactions as part of, and in addition to, their employment or position with the Company. This unsanctioned compensation includes remuneration or benefits to or from merchants, vendors or other third-party service providers. Gratuities, often referred to as “tips,” are also forbidden by this Code of Ethics to be offered or received by Kaspian employees to or from merchants, vendors or other third party service providers in exchange for the delivery or facilitation of business transactions related to the employee’s employment with the Company or performance of their job duties. This includes referral and commission payments of any kind from any third party.

#### **RECEIVING GIFTS AND ENTERTAINMENT**

Entertainment is permissible as long as it is reasonable, occasional and disclosed to your manager. You may accept gifts of nominal value, such as promotional items, as long as it does not create the appearance that your judgment may be compromised.

#### **PROVIDING GIFTS AND ENTERTAINMENT**

If you wish to give a gift or provide entertainment, you must obtain approval from your manager.

## SECTION 5

### Our Commitment to our Business Partners

Working with our partners is not a zero-sum game – we all win and lose together. Our needs may not always be perfectly aligned, but as Kaspian employees, it’s our responsibility to demonstrate leadership and remember that conflicts of interest are to be avoided to achieve mutual success.

We do business only with others who share our commitment to responsible and lawful business behavior. We will not knowingly use suppliers who violate applicable laws or regulations, and will never use a third party to perform any act prohibited by law or by our Code of Ethics.

### **COMPETITIVE INFORMATION**

We practice fair dealing with all our business partners. Our communications are straightforward, professional and honest. We respect their property and are careful to preserve their confidential information. We refrain from making unauthorized copies of others' copyrighted works, including software for use on a home computer.

We use only legal and ethical methods to gather competitive information. Stealing proprietary information or inducing past or present employees of other companies to disclose trade secret information is prohibited. For more information, please contact the Compliance department for further advice.

## **SECTION 6**

### **Our Commitment to Our Communities**

Kaspien does not exist in a vacuum – we are a member of the community. The dedication we expect from each other should extend to our families, our neighbors and our civic institutions. Applicable laws and doing the right thing should guide our interactions in this regard and ensure that Kaspien remains an upstanding corporate citizen.

### **COMPLYING WITH THE LAW**

The fundamental obligation that we owe to the communities in which we do business is to obey the law. We adhere to all applicable laws everywhere we do business. There is no business excuse, no supervisory pressure, no unwritten understanding that justifies violating the law. If we ever feel pressured to violate a law we will immediately contact the Ethics Hotline. While this requirement refers to all applicable laws, a few areas deserve special mention.

### **ANTITRUST**

Antitrust and fair competition laws and regulations are designed to preserve free and open competition, and to promote fair business practices between companies. The antitrust laws of

the United States and other countries where Kaspian may operate are a critical part of the business environment.

Fair competition laws can be extremely complex and vary considerably from country to country, so if we encounter any issue that may have antitrust implications, the best route is to consult with outside counsel. Nevertheless, as general guidelines, the following are considered violations:

- Any perceived bias or conflict of interest with regard to competing brands under Kaspian management that could cause harm to either the brands or to consumers, collusion or agreements on pricing amongst competitors or and other actions that could be considered “price fixing” or “anti-competitive.”
- Formal or informal agreements with competitors – and sometimes even discussions – regarding bids, contracts, prices, distributions, conditions of sale, geographic territories and any other matter which could impact the competitive environment.

#### **INSIDER TRADING – PROHIBITED ACTIVITIES**

We may not use information that we receive as a result of working at Kaspian to influence our decision to buy or sell shares of stock of another company, such as a customer or supplier, about whom we receive confidential information as a result of our Kaspian employment.

In accordance with U.S. federal and state laws and other applicable laws, we will not trade in securities or any other kind of property based on knowledge that comes from our jobs, if that information is not publicly known. Tipping others about non-public information, or making recommendations based on it, is also prohibited.

#### **POLITICAL ACTIVITIES**

Kaspian encourages all employees to participate individually in the political process and respects each employee’s right to do so. However, unless there is prior approval by contacting the Ethics Hotline, that participation must not occur on work time or in Company facilities, and must not include the use of the Kaspian name.

#### **POLITICAL CONTRIBUTIONS AND ACTIVITIES**

Ethics Hotline permission is also needed before we may make political contributions, including payments, loans, gifts, services, facilities, or other items of value to campaigns on behalf of Kaspian. This includes fundraising events such as dinners, picnics, etc. Kaspian does not reimburse employee contributions, or making or providing contributions, payments, loans gifts, services, facilities, or other items of value to political campaigns. U.S. state laws vary tremendously, which highlights the need to have the Ethics Hotline look ahead of time into whether a contribution is permissible.

### **LOBBYING**

From time to time, Kaspian, as a responsible and engaged corporate citizen may speak out on government issues of importance to the Company. If an employee is aware of a political issue where advocating the Company's position may be appropriate, the employee must contact an officer of the company who will coordinate with the Marketing Director.

### **GOVERNMENT REQUESTS AND SUBPOENAS**

It is Company policy to cooperate with reasonable requests for information from governmental agencies, including investigations of Kaspian activities. Kaspian is, however, entitled to all the safeguards provided by law to a person being investigated, including representation by legal counsel from the beginning of the investigation. For that reason, you must contact the Human Resources or Compliance Department before responding to governmental inquiries, inspections, subpoenas or requests.

### **COMMUNICATIONS WITH THE COMMUNITY**

The Kaspian Marketing Department ensures that requests for information are handled properly and consistently. If you are contacted for an interview or comments by the media, and analyst or other third parties refer it to the Marketing Department. Only authorized corporate spokespersons will provide comments to the media, and all request should be forwarded to the Marketing Department.

## **SECTION 7**

Resources to help us Live our Commitments

You are not in this alone. This document describes your ongoing obligations and responsibilities for compliance with the Company's Code of Ethics. These are resources available to you in fulfilling your commitments. If you have a question or concern, or feel the need to raise a concern, the first place to turn is your manager. If, however you do not feel comfortable going to your manager, use one of the resources listed below. The important thing is that your concerns are raised. Remember that retaliation against those who make a good faith report is not tolerated at Kaspian.

### **ETHICS HOTLINE**

Send an e-mail to the following address: [ethics@kaspian.com](mailto:ethics@kaspian.com). The mailbox is monitored by a member of the Kaspian Board of Directors, who will investigate all escalations in an appropriate and confidential manner.

You can leave a voicemail message by contacting the Ethics Hotline at 1-800-267-3206, or by contacting one of the Kaspian Executives below:

- Director of Compliance: 208-964-1010
- VP of Human Resources: 509-228-7666

## Code of Ethics Addendum for Contractors

Individuals working for Kaspian in a contractor capacity are required to abide by the same standards of conduct and company policies (where noted in the applicable Policy document) to which employees of Kaspian are required to abide. When acknowledging receipt and understanding of the Code of Ethics and Employee Handbook, a contractor is acknowledging that he, she or they understand(s) what does and does not apply in their relationship to Kaspian. Such acknowledgement shall not constitute or imply a co-employment relationship between Kaspian and the contractor.