

The Michels logo is a stylized, abstract graphic composed of several overlapping, tilted rectangular shapes in shades of gray. The word "MICHELS" is written in a bold, red, sans-serif font across the center of the largest, most prominent gray shape. A registered trademark symbol (®) is located to the upper right of the word.

MICHELS®

**CODE OF BUSINESS ETHICS
& VENDOR CODE OF ETHICS**

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To all Michels employees:

For more than 60 years, Michels has operated our businesses consistent with our Core Values of integrity, trust and respect.



As our company grows in size and scope and our customer base becomes more sophisticated and sometimes more demanding, I have decided that it is important to present our Core Values in a more formal way. This Michels Code of Business Ethics & Vendor Code of Ethics (the “Code”) does that, and also provides more guidance on how we expect our people to apply our Core Values.

The Michels family has decided this subject is so important we are requesting all officers and managers of Michels to execute a copy of this Code.

In addition, I expect each and every one of you to conduct yourself consistent with this Code whenever you are acting on behalf of Michels. Equally important, I expect you to make sure others at Michels are following this Code and to let us know if you ever observe anything that makes you uncomfortable or suspect that someone at Michels is acting inconsistently with the Code.

I thank you for your continued commitment to the Michels Core Values and your personal adoption of the Michels Code of Business Ethics.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patrick D. Michels'. The signature is fluid and cursive, with a large, sweeping flourish at the end.

Patrick D. Michels
President and Chief Executive Officer

Michels Core Values



Safety & Environment

We take pride in our reputation for quality work performed safely and with care for our environment.



Sustainable Operations

We have sustainable and profitable operations driven by our ability to execute swift decisions.



Dedication

Our people are dedicated, innovative and hardworking.



Integrity

Our actions are characterized by integrity, trust and respect.



Teamwork

We are committed to teamwork.

Michels Code of Business Ethics

Our Actions Are Characterized by Integrity, Trust and Respect

All Michels employees are expected to:

- Be **honest, fair** and **trustworthy** in all your Michels activities and relationships.
- Treat co-workers with **respect** and take **pride** in your work; you are an important member of the Michels team and **teamwork** is critical.
- Strive toward maintaining a **safe** workplace and embrace environmental stewardship.
- Follow the **law** and make sure that others you work with — from suppliers and subcontractors to upper management — do the same.
- Through leadership at all levels of the company, sustain a **culture** where **ethical conduct** is an essential part of how we do business.

Employee Responsibilities

It is the responsibility of each and every Michels employee to understand the policies described in this Code. Read this Code and make sure you understand it.

No one expects you to be a legal or regulatory expert and this Code does not attempt to answer every legal compliance question that might arise. The policies that follow should guide you, consistent with common sense and our Core Values, but you should ask your supervisor or the Chief Legal Officer if you are faced with a situation that raises compliance questions.

You are expected to follow these policies and it is equally important to make sure others do as well. Failure to uphold the spirit and the letter of this Code is grounds for discipline, up to and including termination. Supervisors need to make sure those who work for them comply with this Code and everyone is responsible for making sure the company complies with the law and acts ethically.

If you are concerned someone acting on behalf of Michels is behaving inconsistently with this Code, **TELL SOMEONE**. It's usually best to start with your supervisor, but you can always:

- Contact Karen Wuest, the **Chief Compliance Officer**, at 920.924.4373 or by email at kwuest@michels.us.
- Contact David Stegeman, the **Chief Legal Officer**, at 920.924.4328 or by email at dstegema@michels.us.
- Call our **COMPLIANCE HOTLINE** at 888.310.7732. You may report violations anonymously, although if you identify yourself, we can follow-up with you and provide feedback.

All supervisors must report any suspected violation of this Code to the Chief Legal Officer. Suspected violations include, but are not limited to, any situations reported to supervisors by other employees. Failure to report any suspected violation will be subject to discipline up to and including termination.

All reported or suspected violations of this Code will be investigated. All employees are expected to cooperate fully and truthfully with any investigation. Anyone who violates this Code, or fails to cooperate with an investigation, will be disciplined up to and including termination.

What Leaders Must Do: Setting an Example

Creating a Culture of Compliance

A leader must create a culture of compliance — one in which all employees understand their responsibility to act ethically and in compliance with the law.

In order to help employees understand their responsibilities and feel comfortable raising concerns, it is important for Michels leaders to:

- Ensure that the Michels Code of Business Ethics is properly implemented and communicated to all employees.
- Report any suspected violation of this Code to the Chief Legal Officer.
- Take prompt corrective action to fix compliance weaknesses and also to respond to employee concerns and questions.
- Take disciplinary action if necessary, but also reward ethical behavior and compliance with the Code.
- Always treat others with dignity, civility and equality by avoiding all forms of discrimination and harassment.
- Embrace and promote diversity and inclusivity.

Anti-Retaliation Policy

Any acts of retaliation against an employee for reporting a suspected violation of this Code is strictly prohibited. All reported acts of retaliation will be investigated, and anyone who is found to have retaliated against another for reporting a violation of this Code will be subject to discipline up to and including termination.

Compliance Policies

What follows are specific policies that provide more information that will help you comply with the Code of Business Ethics in certain subjects that arise frequently in our business.

This section of the Code does not include Michels' safety, environmental or anti-discrimination/harassment policies. These topics are addressed in stand-alone policies, including:

- The [Employee Handbook](#), which contains important sections addressing anti-discrimination/harassment and workplace conduct issues
- The [Michels' Environmental Policy](#)
- The [Michels' Workplace Safety Policy](#)
- The [Human Trafficking and Forced Labor Policy](#)

The Code of Business Ethics incorporates these policies. All employees are expected to comply with them and to report any violations of them, just as they would any other violation of the Code.

Compliance Policy: Relationships with Our Customers and Suppliers

We Take Pride In Our Reputation For Quality Work And Ethical Behavior

In our dealings with customers, all Michels employees should:

- Strive to exceed customers' expectations by continually setting the global standard for quality, safety and environmental stewardship in utility and infrastructure construction.
- Continue to grow the company and increase profitable operations by executing the swift and solid decision-making for which Michels is known.
- Always abide by local and national laws and regulations in our industry and always be truthful and accurate when communicating with customers.

Within that framework, it is essential that Michels' dealings with our customers are consistent with our values of trust, integrity and compliance with the law. Employees should:

- Never offer, promise, pay or authorize payment of anything of value (including money, goods and services) to an employee of any customer to get or keep business. We compete on quality, price and customer service, and do not "pay-for-play."
- Never offer a business courtesy such as a gift, contribution or entertainment if you feel it could be considered inappropriate.
- Likewise, do not accept money, goods or services from a customer to facilitate a business relationship. Ensure all purchasing and business decisions are motivated by price and reputation for quality and service; and not by personal reasons.
- Do not enter into subcontracts with parties outside of our current scope of work with that customer without confirmation from a second senior officer from the customer. All engagements of subcontractors, vendors, and suppliers must be through subcontracts and documented purchase orders and invoices. Consult with the appropriate Michels Corporate Services department for the proper documents and agreement.

Compliance Policy: Relationships with Our Customers and Suppliers

The following principles should guide your dealings with suppliers:

- Do business only with suppliers that follow the law relating to labor, the environment, and health and safety practices. If you have concerns a supplier is engaged in illegal or unethical conduct, contact your supervisor or call the compliance hotline.
- Select suppliers based on price and reputation for quality and service. Never accept anything from a supplier in exchange for awarding business and don't accept lavish gifts or entertainment from customers. Nominal token gifts given as business courtesies or normal, reasonable business meals are generally OK. If you feel anything offered by a supplier is inappropriate, seek advice from your supervisor or the Chief Legal Officer.

Q: You are in the process of preparing a bid on a big project and are collecting bids from a number of subcontractors for part of a project. One of the subcontractors has questions about the scope and asks for a meeting to discuss. He invites you and your spouse to fly to Scottsdale, AZ, suggesting dinner the night before, a night in a hotel, a round of golf and a meeting the following morning. All on his tab. **What should you do?**

A: You should politely decline the offer, and suggest a meeting in a mutually convenient place. It is generally OK to have a meal in conjunction with a business meeting and it's usually fine to have a potential supplier pick up the tab. But the offer made here appears excessive and could be perceived as influencing the bidding process.

Q: While visiting the workplace of a supplier with whom Michels has worked for years, you notice some things regarding the way employees are treated that make you very uncomfortable. **What should you do?**

A: Do not ignore this. Michels' reputation is influenced by the reputations of its suppliers. Bring your concerns to the attention of your supervisor.

Compliance Policy: Government Business

There are special compliance rules that apply when Michels does business with state, local and federal governments. If you are working on a project for a government owner, you should be especially careful and should seek advice from your supervisor or the Chief Legal Officer if you have any doubts about the company's actions.

Following the Highest Standards of Compliance:

- Always abide by applicable laws and regulations related to working with governments, particularly special requirements associated with government contracts and transactions. Always be truthful and accurate when dealing with government officials and agencies. To help with this, make it a policy to adopt processes ensuring all correspondence with the government, such as proposals, statements and reports, are accurate, complete and communicated to the appropriate parties. Ensure that all business records, including but not limited to invoices, change orders, purchase orders, agreements and time records, are accurate and complete.
- Never make unauthorized substitutions for contracted goods or services or deviate from contract requirements without authorized approval, in writing, from a government official.
- Be aware of False Claims Act Liability: This is a federal law that allows the government to sue and also permits private citizens to file claims against a contractor receiving government funding if the private citizen thinks that the contractor is committing fraud. Always act with extreme care and honesty when government funds are involved.
- Make sure there is no danger in any government contract that Michels could be perceived as over-billing under the contract or under-delivering on what is specified in the contract.
- Be aware in some circumstances, government regulations dictate how subcontractors and suppliers are selected. Some contracts have local or U.S. content (including under the Buy America/Buy American Act), disadvantaged business enterprise (DBE), or other requirements that must be taken very seriously. The failure to comply with these requirements can subject the company to serious liability – they must be taken very seriously and you should consult with the Chief Legal Officer to ensure compliance.

Compliance Policy: Government Business (continued)

- Remember to consult with the Chief Legal Officer before giving any business courtesy, such as gifts, meals, or entertainment, if the value is more than \$50 to a government official, including employees of state-owned enterprises.
- Do not solicit or otherwise offer or promise employment or other business opportunities with Michels Corporation to any government employee involved in a government contract with Michels.
- While Michels encourages its employees to participate in the political process, make sure that any contribution or political activity you undertake is made or done solely on your own behalf, and not on behalf of Michels.
- As the Company grows and looks at international projects, there are different sets of laws and regulations of which we need to be mindful, including the Foreign Corrupt Practices Act ("FCPA"), export controls, and other trade compliance laws. When working on any international projects, make sure to keep the Chief Legal Officer involved to ensure that the Company is complying with applicable laws and regulations.

Compliance Policy: Government Business (continued)

Q: You are constructing a new utility for a government end user. A subcontractor has submitted an invoice (calculated on a time and materials basis) that is consistent with the overall budget but which you think includes inflated hours based on your observation of the subcontractor's work. The contract requires you to approve the invoice and then forward it to the owner for payment. The subcontractor continues to play an important role in the project, and you can't move forward without it. The subcontractor is pressuring you to approve the invoice and is suggesting it may walk off if it is not paid soon. **What should you do?**

A: Don't approve the invoice. The company could be held liable for submitting a false statement to the government in violation of the False Claims Act. Consult with your supervisor or the Chief Legal Officer to develop a plan to address your concerns about potentially inflated hours. Do not approve the invoice until you are comfortable it is accurate and correct.

Q: You are working on a project for a private general contractor that is funded by the federal government. The Michels contract obligates the company to comply with all the provisions of the prime contract, including "all requirements of federal law." The prime contractor tells you another subcontractor is using a straw company to appear as though it is a disabled veteran-owned small business so they can comply with a DBE requirement, and asks if Michels will do the same. **What should you do?**

A: Do not ignore this. Michels' reputation is influenced by the reputations of its suppliers. Bring your concerns to the attention of the Chief Legal Officer.

Compliance Policy: Dealing with Government Regulators

There are times when, during the course of our business operations, Michels deals with the government, not as a customer, but as a traditional regulator. These interactions might arise in the context of a permitting or licensing issue, in an environmental incident or dispute, in connection with an OSHA inspection, or in similar circumstances. In any situation where you are dealing with a government representative, it is critical you are guided by the **Michels Core Value of Integrity** and are honest in all of your communications.

In addition, because these situations present the potential legal exposure for the company, it is critical you contact the Chief Legal Officer promptly and involve the Legal Department in all your dealings with regulators.

Compliance Policy: Dealing with Our Competitors

Michels is committed to free competition and free markets. We think we can compete effectively in a fair and open market. Moreover, restrictions on free competition by and between competitors can violate the law and can create enormous legal exposure for the company. Thus, all Michels employees should follow these guidelines:

- Do not enter into agreements with any competitor to set prices, fix bids, or otherwise restrain competition.
- Do not discuss or enter into a joint venture agreement with a competitor without first consulting Michels' Chief Legal Officer.
- Do not discuss any prices, bids, product or service offerings, market share, production, sales capacity or volume, or any similar information with a competitor or a competitor representative.
- Do not tell competitors whether Michels intends to bid on certain projects or disclose the amount of Michels' bid to anyone other than the bid recipient.

Q: You are putting together a bid for a project. One of the other potential bidders for the project is also a potential supplier for a product you need to complete the project. You need a quote from that company to put your bid together. **Is it OK to request the quote? Can you tell the competitor that the quote is for the bid?**

A: You can call the competitor to get a quote. If it is possible to get a quote without disclosing the project, it would be better to do it that way. But if it is necessary, you can provide information to the competitor about the project and Michels' intent to bid. But in no circumstances should you (1) disclose the amount of Michels' bid, (2) ask about whether the competitor intends to bid, or (3) suggest the competitor would be more likely to get the work from Michels if it refrained from bidding on the entire project. Any comments like that could lead to serious antitrust liability for the company.

Q: You represent Michels at a trade association meeting. During the meeting, a representative of a competitor suggests members form a joint venture for handling certain kinds of work. He suggests, if all association members join, the joint venture would be the only game in town for this type of work, and the member companies could simply "take turns" doing projects as they came up. He tells you he will submit a higher bid than Michels on one project, as long as Michels submits a higher bid than his company on the next project. **What should you do?**

A: First of all, topics like this should never be discussed at trade association meetings. If discussions about competition, pricing, bids or customers ever come up in a meeting like that, you should discontinue the discussion and, if necessary, leave the meeting. Joint ventures with competitors can be legal and appropriate, but require involvement of the Chief Legal Officer. The joint venture proposed by the competitor appears fundamentally anti-competitive and probably would violate Michels' policies and the law. If this proposal were made in an appropriate setting, you should consult the Chief Legal Officer before responding.

Compliance Policy: Conflicts of Interest

Protecting Michels' Reputation

In both your professional and personal life, it is important that nothing you do conflicts with your responsibilities to Michels. Examples of situations that could create a conflict of interest include:

- Being in a business relationship with a competitor, customer, subcontractor, supplier, or vendor.
- Outside employment with a company providing similar services as Michels.
- Having a financial or ownership interest in a competitor, customer, subcontractor, supplier, or vendor.
- A close relative being employed by a competitor, customer, subcontractor, supplier, or vendor.
- Acceptance of gifts or entertainment from a supplier or vendor, while deciding whether to select that vendor.

Always make sure you:

- Avoid actions or relationships that may cause potential conflicts of interest or create the appearance of a conflict of interest with your employment at Michels.
- Make sure to act within the parameters of established controls. Michels has implemented controls and approval mechanisms to avoid the risk of fraud, which is part of why it is critical to act according to Company policy in selecting vendors, approving purchase orders, and other areas where there is a high risk for fraud.
- Do not misuse, for personal gain, Michels' resources or intellectual property – including office equipment, email and computer applications.
- If you are in a situation that could create a potential or perceived conflict of interest, you must complete and submit a Conflict of Interest Disclosure Form to the Chief Legal Officer for approval. The Conflict of Interest Disclosure Form can be found at Appendix A and downloaded from the Michels' SharePoint site. Hard copies can also be obtained from either the Chief Compliance Officer or Chief Legal Officer. If you are determined to be in a conflict of interest, and have not had it approved, you will be subject to disciplinary action up to and including termination.

Q: Your sister just got a new job as a receptionist at a large contractor. She is not involved in any decisions to pick subcontractors, nor does she have access to any information about any projects. Michels is about to bid to be a subcontractor for a project for which your sister's company is the contractor. **Do you need to do anything?**

A: Yes. Even though your sister is not involved in the decision-making process, you still need to complete a Conflict of Interest Disclosure Form as soon as it becomes apparent there could be an actual or perceived conflict of interest. The Chief Legal Officer will review the form and let you know if there are any restrictions on your involvement as a result of her position.

Compliance Policy: Safeguarding Michels' Assets

Ensuring a Competitive Advantage through Superior Innovation

All Michels employees have an obligation to safeguard the company's intellectual property and know-how. Likewise, we respect the intellectual property of others. Employees should take care to:

- Identify and protect Michels' intellectual property. Do not discuss protected or proprietary information with customers or suppliers.
- Respect valid copyrights, patented materials and other intellectual property (including trade secrets) of others.
- Never introduce or provide information about a new product or service before the company gives permission to make the offering public.
- Make sure sensitive and confidential information of employees, customers, vendors, and other parties is kept secure and private, and only handled by those with a business need. Examples of confidential information include, but are not limited to, proprietary or protected information of customers; employee's personal information such as medical records and social security numbers; and information about future plans. Never provide private information to any outside party unless authorized by the Chief Legal Officer. Disclosure of any confidential information must only be disclosed with a properly executed nondisclosure agreement and in coordination with the Legal Department.

Q: One of your best customers is very interested in new drilling technology. She keeps pressing you about the details of your new technology, even offering to pay an advance to learn more about it. She swears she will sign a confidentiality agreement that will apply until the company introduces the new approach. **What should you do?**

A: Do not discuss the new technology. If the customer were to disclose the information, or even use it herself, it could adversely affect Michels' ability to protect it.

Q: You attend a bid meeting with a number of competitors. When you leave, you realize you have inadvertently taken another attendee's thumb drive. You insert it into your computer to determine who's it is, and discover it belongs to a competitor and contains files with obviously confidential information about the competitor's technology and its business plans. **What should you do?**

A: Do not use the information. It could constitute the competitor's trade secrets, and Michels could be held responsible for using or even possessing them. Contact the Chief Legal Officer right away for advice.

Vendor Code of Ethics

Michels suppliers and subcontractors are crucial to our success. Therefore, we set high standards to build strong ethics and lifelong foundations of hard-working, trustworthy and honest relationships with them. All suppliers and their employees are required to comply with this code of conduct as a condition of doing business with Michels.

Human Rights & Labor

Child Labor

Suppliers may not employ any individual who does not comply with state-enforced child labor law regulations. No individual under the age of 18 may perform work that endangers his or her safety, health or education.

Forced Labor

No suppliers shall use any type of forced labor, slavery or servitude procedures in any operation.

Hiring and Employment Practices

Suppliers must be able to verify mandatory documents such as legal residency, work permits and any other desired documentation to prove legal work status. We encourage all of our suppliers to support and employ a diverse workforce, by abiding by the equal opportunity standards.

Non-Discrimination

As a supplier of Michels, suppliers must assure full compliance with the laws and regulations and confirm all actions are provided fairly to all persons specific to recruiting, hiring, placement, formal or informal training (such as on-the-job training, co-op programs, apprenticeships and management trainee programs), job classifications, work assignments, transfers, assignment of overtime hours, promotion, lay-off, recall and termination and other related programs.

Wages

Suppliers are expected to set wages in compliance with all laws and regulations.

Working Hours

Work weeks are not to exceed the maximum set by local law.

Harassment

Michels suppliers must treat all workers with equality and respect. Michels is committed to providing a professional working environment. We expect our suppliers to abide by the same core values as Michels by being free from sexual, physical, psychological, verbal and non-verbal harassment based on any legally protected characteristic. These protected characteristics may include, but are not limited to, an individual's race, creed, color, religion, sex (including pregnancy, childbirth, and related medical conditions), age, national origin/ancestry, disability, military and veteran status, sexual orientation, gender identity or expression, marital status, familial status, genetic information, work-related injury, arrest and conviction record, use of public assistance, local human rights commission activity or any other characteristic protected by federal, state or local law.

Suppliers must also provide a free and confidential resource for workers to comment or demonstrate any concerns.

Health and Safety

Suppliers must provide a healthy, safe environment for their workers. They should partake in adequate safety trainings and prevention motives to reduce incident rates and health risks.

Environment

Michels is committed to minimizing the impact of our operations, and those of our suppliers, on the environment. Suppliers are encouraged to perform their operations in ways that minimize negative impacts on the natural environment to keep employees and customers safe. All suppliers must comply with all state-regulated emissions, water discharges and hazardous waste disposal operations.

Permits and Registration

Michels suppliers are required to obtain, maintain and keep all environmental permits and registrations, and comply by all laws and regulations that apply to the permits and registrations.

Vendor Code of Ethics

Environmental Stewardship

Michels encourages all suppliers to undertake ongoing efforts to reduce their impacts on the environment. Some efforts include reducing waste and pollution, reducing greenhouse gas emissions, and reducing energy and water consumption. All of the above are areas of environmental stewardship that are praised by Michels.

Confidential Information

Suppliers may not disclose Michels confidential business information to any party unless specifically authorized to do so, and must always make reasonable efforts to maintain the confidentiality of such information. Information that is characterized as confidential includes but is not limited to:

- Product pricing
- Costs
- Customers
- Employees
- Operating systems, policies and practices
- Designs
- Engineering, technical and scientific

Communication

Suppliers are expected to abide by Michels Vendor Code of Ethics and relay our policies and procedures on to all appropriate stakeholders.

Appendix A: Conflict of Interest Disclosure Form

Employee Name

Employee Job Title

Email Address

Work Phone / Ext.

Supervisor Name

Department

Instructions

Employees should complete this form to disclose a potential perceived or actual conflict of interest or for approval before entering into a potential conflict of interest. Please provide as much information as possible regarding the potential conflict. Employees will be notified if there are any additional questions or follow-up items related to the potential conflict. If a conflict is determined, the Chief Legal Officer will discuss the appropriate next steps.

Defined Terms

- “Relative” means spouse, significant other, person with whom you reside, parent, child, sibling, grandparent, aunt, uncle, cousin, niece, or nephew. Relatives include those related by blood, marriage, step-relatives and foster relatives.
- “Significant other” means a person with whom you have an intimate relationship, such as a girlfriend or boyfriend.

Conflict of Interest Disclosure

Please check the category that best describes the potential conflict of interest:

- Relationship with relative or significant other (e.g., your spouse is employed by a vendor)
- Outside employment
- Financial interest (e.g., financial interest in vendor or subcontractor)
- Gifts or entertainment from third party
- Other

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Conflict of Interest Disclosure Certification (cont'd)

Describe the nature of your potential conflict of interest, providing as much detail as possible:

I hereby certify that the foregoing statements are true and correct, to the best of my knowledge and belief. I further certify that I have reviewed and understand the Conflicts of Interest Policy and Michels Code of Business Ethics.

Employee Signature: _____

Date: _____

Chief Compliance Officer

T: 920.924.4373

Compliance Hotline

T: 888.310.7732

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