



Pall Corporation

# Code of Business Conduct

**European Edition**

*If it is necessary for this document to be translated into a language other than English, and discrepancies occur in the text, the version in English will prevail.*

*Filtration. Separation. Solution.<sup>SM</sup>*



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Dear Fellow Employee:

We are all guardians of Pall's hard-earned reputation. How we conduct business and how we treat others – our fellow employees, customers, suppliers, and communities – determines how the world views us. Whether working as individuals within the Company, or as a Company within the global community, we must constantly be guided by principles of ethical behaviour. Pall's Compliance and Ethics Programme is based on the following "core" values:

Customers First is not a slogan; it is how we treat them.

We strive to be the Most Agile to meet customer needs before others do.

Our stakeholder relationships are all built upon Mutual Respect.

The success of Pall Corporation depends on a culture of personal responsibility and Full Accountability

And finally, Absolute Integrity is the cornerstone of our company and THE rule for how we do business.

This *Code of Business Conduct* for Pall Europe is not an exhaustive list of rights and wrongs. Rather, it is a guide for expected behaviour. In combination with Pall's *Employee Agreement*, the local facility *Employee Handbook* and other company policies and procedures, it provides the framework for all business decisions and strategies. Pall has built its business following a simple, yet effective credo, "Always do the right thing." Compliance with this "Code of Business Conduct" is a condition of continued employment.

If, after reading this *Code*, you have any questions please bring them to the attention of your manager or your Location Compliance Officer. If you have knowledge or suspicion of a violation of this policy or any law, or wish to obtain advice or clarification on compliance with this policy, contact the Pall 'AlertLine™'. The numbers to dial for the Pall 'AlertLine' are displayed at Pall locations. You may do this without identifying yourself.

Very truly yours,

PALL CORPORATION

Lawrence D. Kingsley  
Chief Executive Officer & President

## Why Have a Code of Business Conduct?

Obeying national domestic law is the first principle of good corporate citizenship. As a multinational corporation we must consider the sometimes difficult and conflicting requirement of complying with national and European and when applicable, U.S. laws that govern our business transactions.

Determining which laws take precedence sometimes places our managers in difficult decision making situations with conflicting requirements. It is our objective, through the Code of Business Conduct, to provide guidance for such difficult decisions.

Pall Europe's Code of Business Conduct applies to all employees, directors, and all others when acting for Pall Corporation, Pall subsidiaries and divisions (individually or collectively hereinafter referred to as "Pall Corporation," "Pall," the "Company" or the "Corporation").

The purpose of a Code and an effective self regulation programme is to seek and implement practices that ensure coherence between social, economic, and environmental objectives. The specific objective of our self regulation programme is to "*detect, prevent, and correct*", acts of misconduct before it becomes a legal problem for the Company. We will attempt to do this with a number of vehicles, one being this Code and the comprehensive discussions that follow on the various regulatory issues we must be aware of.

Our business continues to change, and with change comes greater pressure to meet expected financial results: to do more with less, to provide superior customer satisfaction, and to grow profitability in the face of fierce competition. Further, we believe that such high standards of conduct underpin our global commitment to "*good corporate citizenship*". Pall's outstanding reputation in the marketplace and the international community flows from our steadfast commitment to follow the law and to "do the right thing."

We depend on our employees to follow the law and to make the right decisions. However, we recognise that the Company operates in an increasingly complex and dynamic world, where the "right thing" may not always be obvious. This Code of Business Conduct is a resource for you to use in making those decisions.

## Asking for Guidance and Voicing Concerns

Principles of good citizenship are often easy to state but sometimes difficult to apply. Doing the right thing at times is more difficult than doing the wrong thing or doing nothing at all. We recognise that no single document, including this Code, can provide you with an answer for every situation or dilemma that you may face in your business dealings. As you will see in the following pages, we have provided you with questions and answers ("Q&A"), using hypothetical incidents to enhance your understanding of the issues we are describing. We will also, where appropriate, refer you to published policies and procedures that may prove helpful.

If, when faced with an ethical or regulatory compliance decision, you find the Code does not provide you with sufficient information to make an informed decision, consider these resources:

- 1) the local facility Employee Handbook;
- 2) your immediate supervisor or manager;
- 3) your Human Resources Manager;
- 4) your facility manager;
- 5) your Location Compliance Officer;
- 6) the Pall Europe Compliance Officer;
- 7) the Corporate Compliance and Ethics Officer;
- 8) the Global "AlertLine".

As part of the Company's overall compliance efforts, we have established a confidential and anonymous e-mail address for you to use (compliance@pall.com). E-mail to this address goes directly, securely and anonymously to the Pall Europe Compliance Officer. In addition, there is also a Global "AlertLine" where you can report your concern. The numbers to dial are prominently displayed at Pall European locations. When you dial the "AlertLine", you will then be connected to an operator. You do not have to give your name. The name you report to the operator will be passed to Pall's Compliance and Ethics Officer. The "AlertLine" is independent of Pall and is staffed by non-Pall employees. You may ask questions when using Options 2 to 7 above. When using Options 6, 7 or 8 you may report concerns without giving your name if you prefer. The "AlertLine" operators cannot answer questions but only pass on concerns which will include questions they have to ask you to ensure they have sufficient information to submit for an investigation. The "AlertLine" operators will give you a call back number and a case file number. Please be aware, if you choose to remain anonymous we will be unable to respond to you because we will not know who you are. If you have any questions or concerns, please be assured they will be taken seriously. Your reported concerns will be assigned a case file number that will be used throughout the investigation and corrective action phase of the inquiry. You may also call the Pall Europe Compliance Officer or the Corporate Compliance and Ethics Officer with the case file number to discuss the issue. Please be assured you will not be retaliated against for raising a question or concern in good faith. Retaliation or threats of retaliation violate this Code and will not be tolerated.

**Q:** What should I do if my supervisor or someone in management asks me to do something that I think violates the Code or is illegal?

**A:** Don't do it! No matter who asks you, if you have any doubts in your mind whatsoever, you should refuse to comply. First, make sure there is no misunderstanding as to what is being asked of you, then talk to your supervisor, your supervisor's manager, or your Human Resources Manager, or contact your Location Compliance Officer, the European Compliance Officer, or the Corporate and Ethics Officer for guidance. Or you may choose to use the confidential email, or the "AlertLine".

**Q:** What are my options if I am faced with a situation where doing the right thing conflicts with making a profit for the Company?

**A:** We exist to be profitable, but we have a greater obligation to only make profits consistent with the principles established by this Code. Remember, our long-term profitability depends on our good reputation, which must never be compromised to meet short-term goals.

## **Enforcing Pall's Code of Business Conduct**

All Pall employees have not only the right, but the personal responsibility, to question any suspected act of misconduct. Our Compliance and Ethics programme is a self enforcement initiative that we take very seriously. Discipline is an important aspect of any enforcement programme. Deliberate violations of this Code will be considered acts of gross misconduct and could lead to termination of employment. You should be familiar with Pall's disciplinary policy, which you will find in your *Employee Handbook*.

The Company believes in and practices “progressive corrective action” when appropriate. This means that, whenever possible, it is usually in everyone’s best interests to deal with problems in a corrective manner. However, the kind of corrective action which can result from a particular act or pattern of behaviour will depend upon many factors, including, but not limited to the nature and responsibility of the employee’s position, the issue in question, and or the employee’s past work history.

This discipline policy applies to everyone, including those people who are not employees of Pall but who act on the Company’s behalf. There are no exceptions, regardless of position or responsibility. We will not tolerate any act that breaks the law or violates Pall’s Compliance policy. All employees should be aware that if any laws are violated in the course of a business transaction, we will cooperate with the appropriate regulatory authorities in their investigations and assist in the prosecution of the infraction.

During the investigation of a suspected violation, all employees are required to cooperate and answer questions truthfully. The following conduct is prohibited:

- disclosing anything about an investigation to any person who may be under investigation;
- discussing the matter under investigation with anyone other than those conducting the investigation;
- interfering with or obstructing the investigation in any way;
- misrepresenting facts, or failing to disclose facts, during an investigation;
- retaliating, or attempting to punish a fellow employee who has made a good faith report of a suspected or known violation, participated in the investigation, or provided testimony to prosecute a violation; and
- attempting to discover the identity of any person who has requested anonymity.

To reiterate - intentional violations of any Company policy communicated in the *Employee Handbook* or this *Code of Business Conduct* could result in termination of employment.

## **Ethics in the Development and Sale of Pall Products**

### **Antitrust and Fair Competition**

We will conduct our business transactions within the framework of applicable laws and regulations of the host country where we are engaged. The United States, European Union and National Governments have adopted laws and regulations that mandate free and fair competition, commonly referred to as antitrust laws. Among them are the Sherman Act, Clayton Act, Federal Trade Commission Act, and the Robinson-Patman Act in the U.S. The European Union abides by the Treaty of Rome, and many other nations have adopted similar laws and regulations that mandate free and fair competition. These laws exist to protect a free marketplace and benefit all of us as consumers. Pall will vigorously compete for business, but only in strict compliance with applicable laws and regulations. The competition laws protect those who compete fairly, but they also provide significant sanctions against those who break the law. Violators may be subject to criminal fines, major damage awards, and possible imprisonment for individuals. To this end, the Company and its employees will not discuss or enter into any of the following agreements or understandings, whether formal or informal.

All of the following are automatically considered unreasonable and illegal.

### **Agreements among competitors and cartels to:**

- fix prices;
- rig bids (collusive tenders);
- fix production or sales volume;
- fix terms of sale or bids;
- allocate markets;
- boycott or exclude rivals;
- exchange cost or pricing information.



The above-described acts are viewed by the international community as especially unacceptable and result in secret overcharges to individual consumers and business purchasers. Twenty-four members of the OECD (Organisation for Economic Cooperation and Development) have implemented laws with criminal sanctions to punish such anticompetitive activity. We believe that such illicit agreements are detrimental to global integration and market liberalisation.

Further, we will not:

- pay bribes to help Pall's, or hurt a competitor's business opportunities;
- engage in predatory or monopolistic conduct;
- engage in industrial espionage or commercial bribery; and
- induce customers to breach contracts with competitors.

Awareness of these laws and special care should be exercised if you are a member of a trade association or industry standards committee.

For further information on Competition Law issues please refer to the Competition Law "Compliance Manual" on the Legal & Compliance page of the intranet or contact the Pall Europe Compliance Officer.

**Q:** A close friend of mine, who used to work for the company, joined a competitor in a similar sales capacity. We are both attending an industry trade show and plan to have dinner together. Is this improper?

**A:** Potentially yes. The inferences that could be drawn from such a meeting could raise the prospect of serious risks for the Company. If such an occasion comes up, be very careful to avoid any conversation concerning business transactions or customer relationships, prices, pending bids, or anything else relating to competition. If such topics come up, end the conversation immediately and notify the Pall Europe Compliance Officer.

## Research and Scientific Practices

Pall is the world leader in fluid clarification and separations technology. To maintain our position of leadership, we rely on our ability to innovate rapidly and in accordance with strict standards of integrity. We will not tolerate scientific misconduct or breach of research ethics. This includes research, test methods, data analysis and reporting.

We have adopted the following policy for appropriate scientific conduct that we believe is consistent with the philosophy and principles of the international community for science and technology.

*Scientific integrity is the cornerstone of our products and our future. No acts of fabrication, falsification, plagiarism, or other practices that deviate from those that are commonly accepted within the scientific community for proposing, conducting, or reporting research results will be tolerated.*

Further, when ever possible we will strive to:

- ensure that our research activities are compatible with the science and technology policies and plans of the host countries where we are located and conducting business;
- adopt, where practicable practices that permit the transfer and diffusion of technology and know-how, with due regards for the protection of our intellectual property rights;
- perform science and technology development work in host countries to address local market needs, where appropriate; and
- develop ties with local universities, public research institutions, and participate in co-operative research projects with local industry and industry associations, where relevant to commercial objectives.

## Advertising and Promoting Products

It is Pall's policy to promote and market our products in a lawful and truthful manner. While it is natural to want to present each product in the best light, employees must be careful to offer an accurate non-deceptive representation of product capabilities and benefits to prospective customers. Some of Pall's products are subject to pre-market regulation. For example, in the United States, companies may not promote medical device hardware or product applications that have not been approved by the Food and Drug Administration (FDA). There are also national laws that prohibit false trade descriptions that we must be aware of and comply with. We endorse the international "Consumer Interests" principals embodied in the OECD, "Guidelines for Multinationals", that requires information provided to customers must be factual and accurate. To that end we impose the following guidelines on our product representations, whether or not a specific law exists in the host country where we are doing business:

- we will ensure that goods and services we provide meet all agreed to or legally required standards for consumer health and safety;
- as appropriate, we will provide accurate and clear information regarding content, safe use, maintenance, storage, and disposal procedures sufficient to enable consumers and or customers to make informed decisions;
- we will provide an effective procedure that addresses consumer complaints;
- we will not make any representation or omissions, nor engage in any practice that is deceptive, misleading, fraudulent or unfair to our customers or competitors;
- we will co-operate fully with public authorities in the prevention or removal of serious threats to public health and safety deriving from the use of our products.

Further, never use tactics that unfairly undermine a competitor's product either in advertisements, demonstrations, comments or innuendo. For specific guidance, refer to *Guidelines for Competitive Comparisons*, or contact the chair-person of the Quality Assurance and Regulatory Affairs Committee (also known as QARAC) with questions for non-medical related issues. For Pall Medical issues, contact the chairperson of the Medical Regulatory Affairs and Quality Assurance and Regulatory Affairs Committee.

## Certifying Product Quality

Achieving the highest level of product quality requires Pall employees to focus on continuous improvement of work activities. This includes enhancing the value of our products to customers through new and improved technology; reducing errors and defects/waste; increasing productivity; and improving our responsiveness to customers. The integrity and quality of our products is of the utmost importance. Our major manufacturing facilities around the world have adopted, and have subsequently been certified in conformance with, relevant quality standards (e.g. ISO 9001, etc.). Employees must refrain from any act or lack of action that could cause the Company to deliver products that do not conform to applicable laws, regulations, specifications, test procedures, or performance requirements.

In addition Pall employees must not:

- falsify, alter, or distort inspection or test documentation;
- improperly or erroneously record inspection or test results;
- falsely certify or state that required inspections or tests have been performed;
- falsely certify or state that required inspection or test documents are available;
- mislead any customer's quality control representative; and
- use any substandard parts, or make any unauthorised component substitutions in the manufacturing process.

**Q:** The fabrication process I routinely perform on product “A” requires the same two inspection steps on each batch. These dual inspections appear to be a waste of time and money. Can I eliminate one of the inspection steps if my experience tells me that the fabrication specifications have been satisfied?

**A:** No, quality assurance procedures rely on the fact that specific inspection steps have been taken to ensure the performance of the product. If you have evidence that you are incurring zero defects, ask your supervisor to contact Quality Assurance and request a change to the inspection requirements. Never take action on your own that deviates from any aspect of the manufacturing processes. Our product integrity depends on compliance with strict manufacturing procedures.

### Meeting CE Marking and US FDA Regulations

The laws and regulations that affect the manufacture and sale of Pall products are quite diverse, each employee involved with Pall’s regulated healthcare products must be aware of the laws and regulations that affect his or her specific responsibilities. For example, manufacturing employees must know and adhere to industry quality requirements and standards and, where applicable, the FDA’s current Good Manufacturing Practice (GMP) regulations; the European requirements for CE marking; research staff must be aware of and adhere to recognised standards of laboratory practice; and marketing employees must conform to regulatory limitations on the promotion of products. Also, medical device laws require accurate and complete record keeping from numerous departments and business units.

If an “FDA warning letter” is received at any Pall facility, forward it immediately to the chairperson of Pall’s Medical Regulatory Affairs Department with a copy to the Vice President Quality Assurance and Regulatory Affairs.

If an FDA inspector arrives at any Pall facility, they should not be admitted to the facility until an appropriate escort, designated by Pall’s Medical Regulatory Affairs Department is available to accompany them. For specific guidance, refer to Pall’s Medical Procedures Manual. Any other FDA issues are to be directed immediately to the Vice President of Quality Assurance and Regulatory Affairs.



## Ethics in Record Keeping

### Business Records

Pall’s business and financial records and documents, including all electronic and computer generated information, must always be honestly and accurately prepared. They are of critical importance to meeting our financial, legal, and management obligations. All reports, vouchers, bills, invoices, time records, payroll and service records, expense reports, measurement and performance records and any other business data should be prepared with care and honesty. Payments made by or on behalf of Pall must be for the purpose described in the books and supporting documents. No undisclosed or unrecorded corporate funds or assets may be established for any purpose.

Records containing personal data of customers and employees are confidential. They are to be carefully safeguarded and kept current, relevant, and accurate. They should be accessed only for valid business reasons and disclosed only to authorised Company personnel having a “need to know,” or pursuant to a lawful process in accordance with Pall’s policy and procedures governing data privacy and disclosure. Questions regarding disclosure of Pall records should be referred to either the Managing Director or the Pall Europe Company Secretary.

Employees must be aware of the retention guidelines for the types of records generated or maintained within their respective departments. Retention periods are based on legal, regulatory and business requirements. Certain documents, subject to court orders, legal proceedings, or host government investigations are to be retained until disposal is approved by the Regional Counsel for Europe regardless of their age. We do not knowingly destroy or discard evidence. Any questions should be referred to your local records’ custodian.

**Q:** As a manager, I am required to review and approve my subordinate’s expense reports. I am aware that people sometimes embellish entries on their expense reports. Do I have any latitude in permitting these entries to pass my approval and be reimbursed by the Company?

**A:** No, while it is difficult to catch every act of overstating expense report entries, as a manager with approval responsibility, you have an obligation to question those entries that appear to be improper. Fraudulently submitted expense reports are a form of theft and may cause Company financial records to be mis-stated. Any transactions that are not properly documented, or do not appear to be for legitimate business purposes, should be rejected.

**Q:** I have correspondence files that deal with customers. I am running out of room in my file cabinet. Can I destroy these files?

**A:** No, you must first consult the approved retention schedules for the records generated within your department. These schedules will tell you how long they need to be kept. Records must be maintained in accordance with these schedules and disposed of in accordance with applicable protocols for disposal.

## Financial Reporting

Accurate and complete financial statement disclosure is so important that the United States Congress and National Governments have enacted laws that impose internal accounting controls and record-keeping requirements to ensure that timely, reliable and relevant information is disclosed regarding the activities of the Company in the host country. The purpose of these laws is to prevent fraudulent financial reporting. To that end companies are required to employ high quality standards for disclosure, accounting, and internal audit.

Pall, as a publicly traded company, assumes an obligation of public trust and a commensurate level of accountability to the investing public. One of the most fundamental obligations of a public company is the full and accurate disclosure of “material” corporate information, including but not limited to financial results. This is made possible by the maintenance of a system of strong internal accounting controls in conformance with generally accepted accounting principles (GAAP).

The term “materiality” is not simply defined. A matter is considered material if there is a substantial likelihood that a reasonable person would view it as important. For example, the Supreme Court has held that a fact is material if there is, “a substantial likelihood that the... fact would have been viewed by the reasonable investor as having significantly altered the ‘total mix’ of information made available.”

Accounting literature states that, “the omission or mis-statement of an item in a financial report is material if, in the light of surrounding circumstances, the magnitude of the item is such that it is probable that the judgment of a reasonable person relying upon the report would have been changed or influenced by the inclusion or correction of the item.”

Further, in order to avoid fraudulent financial reporting, employees must not engage in any activities which undermine the integrity of Pall’s financial information for any reason, including improper schemes to reach performance goals or satisfy perceived pressures to achieve otherwise valid Company objectives, such as market growth targets, budget commitments, or satisfying investor earnings per share expectations.

Violations of these laws can result in fines for the Company and fines and imprisonment for individuals, among other penalties.

Allegations or suspicions of fraudulent reporting should be referred to either the Managing Director, or the European Compliance Officer.

## **Policy on Entertainment and Gifts**

We understand that business is often conducted in social settings. It would be short-sighted of us to prohibit our employees from participating in social events that are intended to build and preserve strong relationships. Although there are some definite rules that we expect everyone to follow, Pall’s Anti-corruption and Ethics Policy on entertainment and gifts relies heavily on what is reasonable and customary, or required, in particular markets or industries and on good common sense and sound judgment. A good test as to whether a gift or entertainment is acceptable to either give or to receive is if public knowledge of the situation would embarrass you or the Company.

To that end, we will comply with all U.S., European and National laws dealing with gifts and entertainment and with the specific policies of those with whom we do business.

For example, Government Agencies, have very strict rules and laws on receipt of gifts, meals and other business courtesies (see also section on Gifts to U.S. and European Government Customers), that apply to the government as customer, auditor or inspector and to its contractors. Other customers have similar policies as well and we have an obligation to know what they are and to respect them at all times.

Pall’s policy, simply stated, is that we are never to expect or encourage gifts or other benefits, never solicit them, or use them as a condition of business. The Company prohibits an employee from offering, soliciting, giving, or receiving any form of bribe or kickback. There are serious penalties, including criminal sanctions, for this conduct.

Pall Corporation recognises that it is common practice for suppliers to send gifts to their customers and or sponsor entertainment events, particularly during the holiday season. Our preference is to discourage this practice as unnecessary. Supplier gifts, if offered and accepted, should not exceed a nominal value. No gift, no matter how insignificant, may ever be accepted if offered with the expectation of influencing an employee’s judgment.

Further, no employee of Pall Corporation may solicit or accept personally, or on behalf of a relative or friend, money, gratuities, negotiable instruments, financial interests, personal services, facilities, or “other benefits” from any organisation or individual doing or seeking to do business with the Company.

“Other Benefits” for this purpose are defined as personal loans, preferred investment opportunities, special price concessions, discounts, special terms, or free services which personally benefit an employee. Further, employees may not accept extended hospitality in any form including entertainment at a resort or similar accommodation, or payment of personal or business expenses, from any organisation or individual who has, or who seeks to have, a business relationship with the Corporation.

For the reasons stated above, entertainment by a Pall employee, or being entertained by a representative of an organisation doing or seeking to do business with Pall, to be acceptable, should constitute an event that can be categorised as appropriate, reasonable, infrequent, and subject to reciprocity. If you need help determining whether entertainment or gifts are acceptable either to give or to receive, please consult your supervisor or the Legal & Compliance Department.

**Q:** Can I accept gifts and/or invitations to sporting events from suppliers?

**A:** Yes, as long as your participation is not a condition of business and it is of nominal value. To avoid the potential for a conflict of interest, it should not take place during a time when you are negotiating a purchase or evaluating a bid that involves that vendor.

**Q:** I organise business meetings. A hotel I often book rooms at has offered me and my guest a free weekend for my personal use. Can I accept it?

**A:** No. Acceptance of the offer could appear to be payment for your choice of the hotel for business meetings.

## Protecting Pall's Confidential Information

### What is Considered Confidential?

Pall considers confidential, information, whether or not in written form, which has not been made available to the public, and relates to the Company's products, processes, or business results, including but not limited to information about research and development, engineering, manufacturing, purchasing, and facilities. It also includes marketing or sales plans and results, customer information, Company financial statements and projections, and policies and procedures. We have adopted a very broad definition of what we consider to be confidential and rely on you to protect all of our confidential information at all times and by all means.

As an employee of Pall you may create or be trusted with Company confidential information. It must never be disclosed outside of Pall without permission and must be accompanied by a signed non-disclosure agreement. Use of Company information by an employee for personal gain or for the gain of relatives or friends is a misuse of Company property. Even if the Company does not suffer an immediate measurable monetary loss, it can be injured in other ways - for example, loss of competitive advantage or reputation.

Because the value of such information is easily lost through disclosure, employees with access to confidential information must adhere to the instructions found in Pall's *Intellectual Property and Product Liability Handbook* or in the *Confidentiality Manual* on the Legal & Compliance page of PallNetUK, for the appropriate legends to be used when distributing Pall information.

It is the Company's policy to respect the intellectual property, including trade secrets, patents, and copyrights of others, including those of former employers. In compliance with applicable National laws, no proprietary information belonging to others will be retained or used by Pall without written permission. Such information, if obtained by a Pall employee, by any means, must be turned over to the Regional Counsel for Europe who will take appropriate action.



**Q:** I would like to purchase a competitor's product and send it to our laboratory for evaluation. My objective would be to determine if there is any performance difference between our similar products. Is there any problem with this?

**A:** No, but such a question could prove difficult to answer. In general, information that is readily available in the marketplace is not considered confidential and may be used for competitive purposes. But this is not always true. For example, if written material is copyrighted, you may not duplicate it. If a product is patented, you may not infringe that patent or manufacturing know-how. Before making any public statement about a competitor's product, be sure you know the rules. Consult the *Mission, Vision, and Values Statements for R&D* or contact the Regional Counsel for Europe for guidance. If the results of the evaluation are intended for publication or any competitive purpose, consult the *Guidelines for Competitive Comparisons*.

### Copyrighted Data

Most published information, including data found on the Internet, has copyright protection assigned to it by the owner.

Unauthorized copying of copyrighted material, whether in paper or electronic form such as books, magazines, data from websites, and journals without permission from the copyright owner, is an infringement of the proprietary rights of the author/owner. Pall's policy prohibits its employees and its agents from infringing the copyrights of third parties. This includes, but is not limited to, that portion of the material that has been photocopied/downloaded/scanned, and/or the result of an electronic search. Questions regarding this policy should be brought to the attention of the Regional Counsel for Europe.

### Providing Information to the Media and Others

It is against Company policy for employees, other than specified spokespersons, to provide information to the media, security analysts, researchers and others outside the Company unless it has been publicly disclosed in official Company documents. Those making unauthorised disclosure of confidential information risk securities law violations. Unless you are certain that the information is already in the public domain, do not provide it.

To that end our Annual Report will disclose the following information:

- the financial and operating results of the Company;
- the Company's business objectives;
- members of the board of directors and names of key executives;
- material foreseeable risk factors as they relate to business operations.

It is important that all information disclosed outside of the Company be consistent, accurate and timely. If you are not specifically authorised by the Chief Executive Officer or the General Counsel of Pall to release the requested information, do not provide it. You may provide copies of our Annual Report to those seeking information on the Company or refer to Pall's *Global Policy on Dealing with Requests from the Media*, or contact Pall's Communications Officer.

### Removal of Company Documents

Upon accepting employment with the Company, you were asked to sign an employee agreement. Among many items, Pall's *Agreement* addresses the unauthorised disclosure of confidential information, regardless of whether it belongs to Pall, a customer, or a supplier, either during or after your employment. Your employment with Pall assumes an obligation to maintain confidentiality, even after you leave our employ.

Please be reminded that no one is permitted to remove or make copies of any Company records, reports, or documents without prior management approval. Further, unauthorised disclosure of non-public Pall information could lead to termination, as well as appropriate legal action.

**Q:** I recently joined the Company as a marketing manager and I have considerable correspondence in my possession from my previous employer regarding products and pricing on products. Can I share these data with Pall's sales people?

**A:** No, whether or not these data are marked as "confidential" or "proprietary," it cannot be used by Pall and should not be brought onto Company premises. You should return these files to their rightful owner.

### Insider Trading

An *employee* must not use confidential non-public information obtained from or through the Company to trade in the securities of Pall Corporation or any other public corporation. The Insider Trading and Securities Fraud Enforcement Act (ITSFEA), Securities and Exchange Commission (SEC) regulations and Company policy prohibit any employee from providing tips to others and from using inside information for personal financial gain. Inside information is defined as: non-public information that could reasonably affect an investor's investment decision about buying, selling, or holding a security such as:

- expansion plans;
- major management changes;
- dividend rate or policy changes;
- projections of future earnings or losses;
- actual earnings prior to release;
- proposed mergers or acquisitions;
- significant regulatory decisions affecting the Company and;
- major new projects or contracts.

Employees are also cautioned about the potential consequence of anonymous posting to Internet message boards, chat rooms or other forms of social media. We strongly recommend that if you feel a need to express your opinion about any publicly traded company that you identify yourself when making the posting. Comments that are made with the intent to raise or lower the value of a company's stock price could lead to allegations of securities law violations. If you have a question or concern regarding Pall, we encourage you to address it to the appropriate person within the Company. Also be advised that posting confidential information about Pall (see also section on Protecting Pall's Confidential Information) is a violation of Company policy, regardless of whether that information could be material to an investor in Pall's securities. Further, the purchase or sale by directors or insiders of puts, calls, or other options involving securities of Pall Corporation is prohibited by corporate policy (as are short sales of Pall's common stock). All employees should be especially careful not to pass inside information on to anyone, including family or friends. If you are eligible for, and the requirements are met, you may purchase Pall Corporation stock through a properly granted stock option. You are likewise permitted to purchase company stock on the open market, as long as it is not based on confidential (non-public) information.

If you are a director or executive officer of Pall, federal law prohibits you from retaining any profits from the purchase and sale (or sale and purchase) of Company stock within a six month period (short swing transaction).

For a full explanation of the rules and regulations that elected officers and directors must be aware of, contact the General Counsel.



**Q:** If I hear via the grapevine that Pall is considering acquiring a company, may I buy stock in either Pall or the target company before it is announced?

**A:** No, as a Pall employee such a transaction would be considered trading on the basis of information (insider trading) that has not been released to the public. Under U.S. Securities law, if such information is determined to be “inside information,” such a transaction would be illegal.

**Q:** I am a secretary for one of the Company’s executives. I told my husband about a conversation I overheard outside my boss’s office about this past quarter’s earnings. The news is quite good. He has told our neighbour and they are considering a joint investment in the Company’s stock. Is this a problem?

**A:** Yes. Sales and earnings results are extremely confidential until they have been released to the public through a news release. Further, your job could be in jeopardy for relating this information to your husband. Now that he has told your neighbour and, if, based on this “inside information,” they invest in Pall stock and benefit financially, they could also be charged with insider trading. You and your husband could be charged with “tipping.” Such transactions are illegal and could subject the parties involved to serious criminal charges and civil liability.

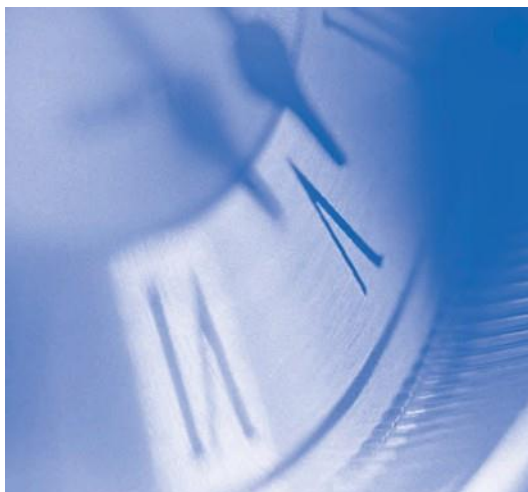
## Company Resources: Property and Time

### Misuse of Company Property, Records and Funds

As a Pall employee, you are expected to protect and preserve the Company’s property and assets. Preventing the loss, damage, misuse, or theft of Pall Corporation property, records, and funds is a matter of personal responsibility for all Pall employees. Company property is to be used for conducting business and must not be used personally, sold, or given away without proper authorisation. Company procedures for dispersing, receiving, and reporting the use of funds are designed to protect the employee as well as safeguarding the Company’s assets and must be adhered to. Company resources include your time at work, materials, supplies, equipment, information, electronic mail, and computer systems. These resources are to be used to fulfil Company goals and objectives.

During the working day, employees are permitted to perform non-routine personal tasks with their supervisor’s approval. Routine personal use of Company resources is not permitted. Examples of prohibited personal uses include but are not limited to the following:

- calling or faxing long-distance;
- general photocopying of documents for personal use without permission;
- bringing office supplies home for non-business use;
- using Company tools, equipment, vehicles, or other assets for personal use without permission;
- using the Company e-mail, Internet, or other commercial services provided to you by Pall for personal use without approval.



**Q:** This weekend I am doing some repair work on my house. Can I bring home some of the tools from the Company's Maintenance Shop?

**A:** No, we do not allow any equipment to be removed from Company property to be used for personal purposes as it is very difficult to hold the Company harmless if someone is injured as a result of its non-business use. The only exception to this is Company owned cars, computers, cell phones, and pagers. Equipment typically found in a Maintenance Shop requires some expertise to operate safely. If damage or loss of the equipment occurs, it may be financially impractical for the employee to reimburse the Company or replace the equipment.

**Q:** My sister lives abroad and I try to keep in touch with her once a week by calling her. Is it permissible to use the Company telephone lines?

**A:** No, routine use of Company resources for personal purposes is prohibited. Assuming these calls are being made during normal working hours, you are also using valuable time that should be directed to your Pall duties and responsibilities.

### Computer Systems

Computer systems today are essential for the daily operations of all Pall Companies. Accordingly, it is imperative that the hardware, software, and data accessed or processed using computers and stored in them are adequately safeguarded and used only for Company purposes.

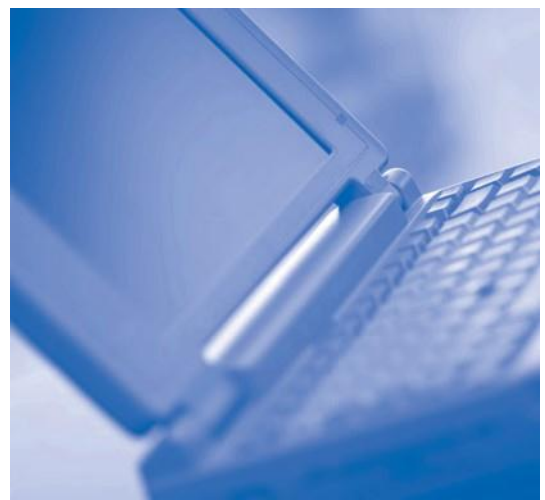
In addition, all documentation relating to the licensing of software and its use must be accurately maintained, and in a manner capable of verification. No unauthorised copying, borrowing, publication or use of copyrighted software is permitted. Pall employees are prohibited from creating electronic databases using third party copyrighted material found on the Internet or the transmission of digital information from one site to another via "Metatags," "Framing" or "Deep Links."

The Internet can be an effective business tool as long as it is used in accordance with policies we have established. Only those employees with a valid business reason may access the Internet from within our Company network. For specific guidance in the use of Pall's computer systems, please refer to Pall's Corporate IT Policies and Standards, Electronic Mail Policy or Pall's Internet Usage and Security Policy, all of which can be found on Pallnet.

Software, e-mail, and voice mail are corporate resources that are licensed and should be used for authorised business purposes only. Because these items are Company assets, the Company reserves the right to review and search, without notice, any information stored in these systems. Employees do not have an expectation of privacy with respect to their use of these assets.

**Q:** The Company has provided me and some of my staff with computers and a limited amount of specialised engineering and scientific software. Unfortunately, budget restrictions have precluded my entire staff from being comparably equipped. We have a major project due for a customer. Would it be permissible to copy some of the engineering software needed for this project and then pay the licensing fees when budget constraints are lifted?

**A:** No. This could be considered a copyright infringement, for which the penalties can be substantial. This is an example of attempting to solve a short-term problem without considering the long-term consequences. These could include embarrassing publicity, the withdrawal of our right to use the software and substantial penalties.



## Conflicts of Interest

A conflict of interest exists when a personal interest or activity interferes, or appears to interfere, with the duties and responsibilities you, as an employee, owe to the Company.

An employee's interest conflicts with that of our Company when the employee profits, or has an opportunity to profit, directly or indirectly, through a misuse of a Company position. To facilitate compliance with these prohibitions, employees, including executive officers, must report to the Corporate Compliance and Ethics Officer circumstances that may create or appear to create a conflict between the personal interests of the individual and the interests of the Company, regardless of the amount involved.

You are expected to devote your maximum ability to Pall's interests while in the employ of the Company. Employment outside of Pall is permissible subject to any contractual agreement to the contrary. Such outside employment must not interfere with your job performance at the Company, including the availability to travel. Employees are prohibited from any affiliation with a competitor, or from performing any work that would reflect adversely on the integrity of Pall.

Everybody knows that it is wrong to take Company property or sell Company information, or accept for personal gain, rebates, fees, or commissions from suppliers or others doing or seeking to do business with us. However, some conflicts of interest may be more subtle. All employees need to be particularly alert in order to avoid even the appearance of a conflict of interest.

Some situations in which a conflict of interest may arise, and therefore must be avoided, are as follows:

- allowing any outside enterprise, relationship or activity to affect, or influence your decisions on behalf of the Company;

- accepting any employment or promise of future employment (including serving as a director, officer, or consultant) with a company or individual that competes with, or which does or seeks to do business with the Company;
- having a significant financial interest (greater than 1 % of a company's net worth, or greater than 10 % of your base income) in a company doing business with, or competing with Pall;
- placing Company business with any family member (directly related or related by marriage) or with any enterprise in which you or a family member has a significant financial interest;
- acting for anyone other than Pall in any transaction with the Company (e.g., helping someone to sell products or services to the Company);
- speculating in or dealing with equipment, supplies, materials, or property purchased or sold by the Company;
- using Company time or resources for any personal outside enterprise, relationship, or activity, without your supervisor's approval;
- misusing any confidential or proprietary information of the Company or supplier for personal financial gain;
- acceptance of hospitality or entertainment that exceeds a nominal value;
- favouritism in any way in hiring practices, including those having a direct reporting relationship with family and friends.

**Q:** Do the conflict of interest policies apply to business transactions with my distant relatives such as cousins, in-laws, or friends?

**A:** Yes, if the relationship is such that it could influence your objectivity or create the appearance of impropriety, you should avoid participating in any business transaction with these parties.

**Q:** I am reviewing three proposals for some new equipment. One of the suppliers, with whom I have done business before, has invited me to a golf tournament her company is sponsoring. Would it be a conflict of interest for me to accept?

**A:** Possibly, as you are currently reviewing a proposal from the supplier. Accepting hospitality or entertainment from the supplier could certainly appear to be a conflict of interest. Before accepting, you should review the situation with your supervisor or Location Compliance Officer. Together, you should consider issues such as: the value of the entertainment invitation; the size of the pending proposal; whether you are the sole decision-maker on the proposal; and whether public disclosure of your acceptance of the invitation would embarrass you or Pall.

If, after considering these issues, you attend the event, you should of course refrain from discussing any pending transactions between the Company and the supplier. Such discussions could give the appearance that your invitation to the event was conditioned on your favourable consideration of the supplier's proposal.

## Political Activities

Pall has always endeavoured to transact business in accordance with both the laws of the United States and the laws of every country in which the Company does or seeks to do business. As a company, we will not contribute to political parties, candidates, or public officials except as permitted by law. Contributions made by individual employees or agents will not be reimbursed either directly or indirectly. Pall Corporation prohibits the unauthorised use of Corporate funds, assets, resources, or facilities for political purposes in the U.S. and abroad.

Employees who consider running for public office must represent themselves as individual citizens and may not represent the Company in any way while carrying out public duties. The Company will take no action with respect to employees as office holders that may be construed as an attempt to influence them in their exercise of duties as public servants. Employees who hold public office must not participate in their capacity as public officials in any decisions that affect Pall Corporation.

Employees who do accept public office are reminded of the Company policy regarding "conflicts of interest." Employees shall inform the Managing Director as soon as possible when considering running for or accepting a public position. When the Company is informed by an employee that he or she is considering a public office position, the Managing Director will review the matter to determine if a conflict of interest may subsequently exist. Where an apparent conflict exists, the Managing Director will inform the employee in writing of any action required under the circumstance to avoid the conflict. If, while serving in public office, the employee assumes a new public position, the duties of the present position change fundamentally, or a potential conflict of interest arises with the employee's duties as a Pall employee, the employee must notify the Managing Director immediately.



**Q:** I do volunteer work for a candidate for public office. May I ask my secretary to type some documents and make copies on the Company copy machine?

**A:** No, the secretarial service which the Company has provided you should only be used for Company business. You are not permitted to use Company resources for personal or political purposes.

**Q:** My boss asked me to make a €500 contribution to a political candidate whom she believes, if elected, will help the Company obtain additional government business. She has stated that the Company will reimburse me when I put the donation on my expense report. Is this permissible?

**A:** No, there are several problems with this proposal. It may represent an illegal campaign contribution. Your supervisor has asked you to falsify Company records (expense report) and submit a fraudulent request for reimbursement of expenses presumed to be for Company purposes. This issue should be brought to the attention of the Managing Director or Pall's European Compliance Officer immediately as this is a serious breach of Company policy and the law.

## Maintaining a Safe Workplace

Pall Corporation is committed to providing a safe and healthful working environment. The Company makes every effort to develop operations, procedures, technologies, and programmes conducive to such an environment, as well as to comply with relevant European and National occupational health and safety laws.

Pall Corporation's policy is aimed at preventing the exposure of employees, customers, and other visitors to our facilities to health or safety risks. To accomplish this objective, all employees are expected to work diligently to maintain safe and healthful working conditions and to adhere to proper operating practices and procedures designed to prevent injuries and illnesses.

The responsibilities of all Pall personnel in this regard include:

- exercising maximum care and awareness at all times to prevent accidents and injuries;
- reporting to supervisors and seeking first aid for all injuries, regardless of how minor;
- reporting unsafe conditions, equipment, or practices to supervisory personnel;
- using safety or personal protective equipment whenever and wherever needed; and
- notifying their supervisors, before the beginning of the workday, of any impairment or medication they are taking that may cause drowsiness or other side effects that could lead them to injure themselves or their co-workers.

Failure to follow the above policy will result in disciplinary action. Please consult your supervisor, Location Safety Manual, or Location Safety Coordinator with questions. Unresolved concerns should be directed to the Pall Europe Environmental, Health and Safety Manager.

**Q:** What should I do if I see a co-worker doing something that appears to be against Company policy, such as performing a task in an unsafe manner or smoking in a restricted area?

**A:** We do not advocate creating an environment of confrontation with fellow employees but if you believe a violation of Company policy has occurred, say something to him/her immediately. Many issues of non-compliance are unintentional and the result of a misunderstanding or a lack of knowledge. If the situation persists or you are not comfortable raising the issue with the co-worker, notify your supervisor. Infringements of Company policies are serious and need to be corrected in a timely manner. Intentional violations will lead to disciplinary actions. Employees who are aware of violations and fail to report them also risk disciplinary action.

## Preserving the Environment

Pall Corporation's business is solving complex contamination problems. Our proprietary filter media are used to remove contaminants from liquids and gases in a very broad range of critical applications. Increasing emphasis on protecting the environment has led others to rely on our expertise.

Pall Corporation is also committed to providing effective environmental programs and controls at all of our facilities. We maintain an audit program of continuous quality improvement and it is through this process that environmental, health and safety programs are continually monitored in a company-wide effort to improve our workplace and prevent accidents. To this end all employees must observe and comply with European and National laws and regulations concerning the pollution of our environment, and are encouraged to operate as environmentally responsible citizens.

Each Pall manufacturing site is required to establish a documented environmental management system to ensure our compliance requirements are fully implemented. Each of our subsidiaries will utilise the environmental management system to set policies to sustain an effective compliance programme.

Specific policies and procedures include compliance with U.S., European and National regulations relating to:

- Clean Air and Water;
- COSHH – Control of Substances Hazardous to Health;
- Handling of Toxic Materials;
- Hazardous Spills, Emissions, Waste;
- Packing Regulations;
- Trade Effluent, and;
- Waste Management.

Please consult the Company's *Environmental Policy* statement, the above referenced policies on PallnetUK, or contact your facility's Environmental Coordinator or the EHS Department Manager with any questions.

**Q:** A fifty-five gallon drum located outside of the building, of what appears to be oil, was knocked over and is spilling into a storm drain. What should I do?

**A:** First, notify your location's Spill Response Team: they will pick the drum up so the contamination is mitigated. If you have been trained in spill response and can do so without exposing yourself to unnecessary risk, pick up the drum immediately. Your location's Environmental Co-ordinator will notify the Corporate Environmental, Safety and Health Manager. They will notify the appropriate regulatory authorities.

## Doing Business with Government Agencies

Doing business with any government agency has its own unique challenges and rewards. Agencies have very specific rules and regulations that must be complied with. Pall has both prime and sub-contract business relationships with Government Departments. As a result of these business transactions, we are subject to strict compliance with the National Government Purchasing Regulations. Some aspects of business conduct that are acceptable in the private sector may violate these regulations and result in fines, penalties, suspension from being awarded contracts, debarment, and even criminal prosecution of the Company or individual employees.

In this section of the *Code*, we will list and describe some of the areas that employees who do business with Government Agencies need to be aware of. Questions should be referred to the Pall Europe Compliance Officer or the Managing Director, as appropriate.

### Classified Information

Our national security depends on each of us safeguarding classified information when it is in our possession. Pall and its employees will comply with all of the laws, regulations, and policies governing classified national security information. Access to classified information is restricted to those individuals with appropriate government security clearances and a valid "need to know."

Unauthorised possession, use, disclosure, or transmission of classified information constitutes a violation of the Company's security agreement with the U.S. and National Governments and may be punishable by fines and imprisonment.

#### Proprietary - Source Selection Information

Proprietary information includes confidential competitor information such as drawings, product specifications, manufacturing knowledge, and cost and pricing data that support a proposal to the government.

Source Selection information includes government-sensitive information and documents such as supplier selection plans, technical evaluation plans, competitive range and source selection determinations, competitor's bid prices (prior to bid opening), and competitor's proposal prices (prior to contract award).

Whether or not this information is marked with legends "proprietary," "protected" or "company private," Pall employees will not solicit, receive, or in any way use, proprietary and source selection information of a competitor's unless legally permitted and pursuant to a written agreement.

**Q:** A government employee has asked me to help develop the technical portion of a bid specification his agency is planning to issue for competitive quotes. We may be one of the bidders. May I do this?

**A:** First of all get permission from the Regional Counsel for Europe to provide such assistance. Some companies misuse such an opportunity to skew the technical specifications so only that company's product appears to satisfy the customer's needs. This would be unethical. You may provide factual information regarding Pall's products, but your assistance in developing the bid specification should be limited to offering theoretical solutions unrelated to the Company's products to satisfy the customer's needs.

#### Gifts to U.S. and European Government Customers

U.S. and National Government employees are subject to strict rules and laws regarding receipt of gifts, meals, and other business courtesies. Money may never be offered to any government personnel. Pall's policy as set out in the Anti-corruption and Ethics Policy is not to provide gifts, entertainment, meals, or anything of value to government officials, except for minor refreshments or promotional items in connection with business discussions.

**Q:** Do all government agencies have the same rules and regulations on accepting meals and entertainment?

**A:** No, regulations differ between U.S. and National Government Agencies. Gifts of any value, with the exception of minor refreshments at business meetings, are prohibited to U.S. government officials. When dealing with officials or employees of any government agency, find out what the specific limits are.

**Q:** After negotiating a new sub-contract with us on our requirements for a government contract, the supplier sent me a clock with his logo on it to show his appreciation. Can I accept it?

**A:** You may accept gifts that are promotional in nature and whose value is nominal in value (less than €50). This represents a more restrictive application of the Company's Business Entertainment and Gifts Policy. The U.S. Government has very strict rules on gifts and expects everyone, including its contractors, subcontractors and employees to be aware of them when dealing with government related contracts.



## Protecting the Company's Proprietary Information

Under law, government agencies may be required to release information in their possession unless they are on notice that the entity submitting the information considers it proprietary and/or confidential. Thus, it is necessary that such information given to the government be marked with an appropriate restrictive legend to put third parties on notice that the Company considers such information to be confidential (see also section on Confidential Information – or refer to the Confidentiality Manual on the Legal & Compliance page of PallNetUK).

## Preparation and Submission of Documents to Government Agencies

When dealing with Government Procurement Contracts the terms and conditions of such contracts should be strictly observed and implemented. At all times, care must be exercised when preparing and submitting proposals, invoices, or any documents associated with a government related contract. Deviation from the terms and conditions contained in the contract could lead to repercussions for the Company and damage our future relationships with the Government Agency concerned.

## Labour and Material Charging

The integrity of a company's books and records is important in all business transactions. Labour and material charging records and other associated cost accumulation documents must be current, accurate, and complete. Falsification of any of these records is a serious breach of Pall's Code of Business Conduct and will not be tolerated. Clear and appropriate audit trails are also important and must be maintained for all transactions so that we can properly document our costs of doing business and establish selling process that reflect the true cost of producing the product or service we are providing to the customer.

**Q:** I'm working on a manufacturing work order and noticed that more material was charged to the work order by the stockroom than was needed to complete the order. What should I do?

**A:** Notify your supervisor immediately and ask him or her to advise the appropriate person in Accounting of the excessive charge. The integrity of manufacturing costs is important for the profitable operation of Pall's business.

## Holding Employment Discussions with and Hiring Government Personnel

Government officials, who have knowledge of, or involvement in, a procurement action by the government or involvement during subsequent contract performance, are prohibited from discussing employment opportunities with a contractor or prospective contractor, unless advance written approval is obtained from the head of the procuring agency.

The Company does not expect its employees to know the intricacies of employment rules for government personnel. Before holding any employment discussions with current or former government employees, contact your Human Resource Office for guidance.

## Doing Business Internationally

Pall does business around the world. We import products and raw materials from abroad and ship our products to both domestic and foreign customers. It is Pall's policy to comply with all United States, European and National laws and regulations that apply in the countries and localities in which we do business. These laws can be quite complex and confusing. When questions arise concerning the application of these laws, contact the Regional Counsel for Europe or refer to the Company's Anti-corruption and Ethics Policy available on Pallnet.

## Foreign Corrupt Practices Act

"Know before you go" - As a U.S. based company we must comply with the Foreign Corrupt Practices Act (FCPA). The FCPA has two principal sections: the first essentially



prohibits the bribery of foreign government officials, which include not only persons acting in an official capacity for or on behalf of a government, but also candidates for political office and employees of state-owned enterprise. The second concerns record keeping and financial controls, and prohibits the creation of “off-the-books” accounts (slush funds). Employees who engage in international business are responsible for knowing and complying with both the FCPA and the anti-bribery laws and regulations that govern their behaviour and business transactions in a host foreign country. For example, the FCPA forbids the use (directly or indirectly) of Company funds, assets, or gifts for bribes or other corrupt purposes. This includes payments, offers or authorisations of payments of anything of value, directly or indirectly to any official, employee or agent of any government, or any government agency, to obtain or retain business, or otherwise to secure an improper business advantage. An improper business advantage would include an attempt to receive a favourable tax treatment by means of a bribe.

The FCPA does permit payments of insignificant amounts referred to as “facilitating payments.” These are defined as small amounts demanded by low-level foreign government employees to perform routine clerical functions such as inspecting goods and securing shipping permits. While such payments are discouraged from both an ethical and compliance perspective, they may sometimes be permissible under U.S. law and the host country’s laws. If such payments are contemplated, you should bring the event and the circumstances surrounding the payment to the attention of the local compliance officer and financial controller before the payment is made.

*In all business dealings, special care should be exercised to ensure that:*

- no bribes, kickbacks, or other illegal payments are made by or on behalf of the Corporation, directly or indirectly;
- no false, or artificial entries are made in the books and records of the Corporation;

- no undisclosed or unrecorded Corporate funds or assets shall be established for any purpose; and
- no payments are made by or on behalf of the Corporation for any purpose other than that described by the supporting documents and records maintained by the Corporation.

**Q:** We use an agent to assist us in making sales in the Middle East. He is paid a substantial commission on the business he obtains for us. I am concerned that some of this money is being used to bribe foreign officials. Should I be concerned?

**A:** Yes, the Company is subject to prosecution for the actions of its employees and agents. This agent should have a representation agreement with the Company. It must include a provision that the individual is aware of and will comply with the requirements of the FCPA. If you have any reason to believe that bribery may be occurring, contact your Location Compliance Officer, the Managing Director or Pall Europe’s Compliance Officer immediately. Otherwise, you and the Company may be at serious risk.

**Q:** In certain countries, it is necessary to make small payments to clerical government employees in order to get paperwork processed in a reasonable time. Is this legal?

**A:** Possibly. The first thing you should do is consult the office of the Regional Counsel for Europe to determine if the payment is permissible under the FCPA and whether the anti-bribery laws in the host country prohibit such payments. Under U.S. law, small payments such as this may not be considered a bribe, but a “facilitating payment.” However, in some countries, Singapore for example, even an attempt at such a payment could result in severe penalties. Do not assume that the payment is legal. Obtain legal advice and review the situation with your Legal & Compliance Department first.

## Trade and Foreign Boycotts

American corporations, and their subsidiaries, are prohibited by law (Anti-boycott Act) from participating in or agreeing to participate in unsanctioned boycotts imposed by a foreign country (or countries) upon a country, or a business organised under the laws of the target country, that has friendly relations with the U.S. government.

This prohibition includes furnishing information (public or otherwise) for boycott purposes. Further, furnishing information with respect to race, religion, sex, for discriminatory purposes is also prohibited. Likewise, entering into contracts and letters of credit containing boycott-related conditions is prohibited. Any requests for such information must be reported to the Regional Counsel for Europe immediately. Under the law, the Company has an obligation to report such requests to the government.

## Export Control and Embargo Laws

All subsidiary companies of Pall Corporation must comply with U.S. Government, National Government and European Regulations on Export Controls. The European Export Regulations are set out in each Member State's National Legislation. Pall's European companies adhere to the regulations provided by the UK Export Control Act 2002, including the secondary legislation, trade control orders and guidance on various aspects of the Act and the EC Dual Use Regulations, or their replacements. In addition to these Regulations each European Company must adhere to any additional National export restrictions that apply to their location.

There is no inherent right to export products and or information (technology) of U.S. origin. The item to be exported and its destination of the product or technology are the two most important factors in determining whether an export will be permitted. As a manufacturer of products and technology that may be exported, we have an obligation

under U.S., National and European Regulations, to know and disclose the end use and final destination of the item exported, whether we are the actual exporter or not. Under no circumstances should products be sold without adequate assurance that we have obtained factual information in this regard. If we have reason to believe that a domestic customer will export a product we sell to them, we will request a copy of their export license or request an end use certificate before our shipment is made to them. Any customer who refuses such a request, or provides information that the freight forwarder is the final destination, has not provided the Company with adequate information to ensure our interests are protected and that the shipment is in compliance with export regulations. No export shipment should occur until all appropriate information is provided.

For specific answers to questions regarding embargoed countries and/or the need for an export license, please consult the Export Control Manual found on the intranet, or contact the Shipping Manager, or the Regional Counsel for Europe.

## Import Laws

With few exceptions, all countries in which we do business have laws restricting the import of some commodities and requiring duties or taxes to be paid on others, based on the proper classification and valuation of the imported items. The U.S. and European Customs Office also have laws and compliance requirements. In addition to financial duties levied on the imported products, there are specific record retention requirements that must be observed. If a Government Customs official asks you a question about an import, answer the question fully or refer the official to someone who can. The potential penalties for "false statements" are severe. Specific compliance questions should be referred to your local Purchasing Manager or the Shipping Manager.

## Possible Consequence of Violating U.S. European or National Laws

### Agreements with Government Authorities and Regulators

From time to time, every company faces the harsh reality of an allegation of misconduct, or an allegation that the company violated a law or regulation. Many of these allegations are settled without litigation. When they are with the government, these settlements often include an agreement on the part of a company to implement policies and procedures to ensure such a violation does not occur in the future. The Company has, from time to time, entered into consent decrees or settlements with the government. These agreements obligate the Company and all its employees to specific performance requirements. Further, it is the obligation of all management personnel to be aware of these agreements, if relevant to their area of supervision; and to ensure that our promises of compliance are kept and not abrogated by some act or omission.

When the Company enters into an Agreement with a Government Authority or Regulator, appropriate members of management will be so notified by the Regional Counsel for Europe. Any questions concerning compliance requirements with such agreements should be referred to the Regional Counsel for Europe.



## Employee Handbook as a Key Source of Policy Information

We accept our responsibility to contribute to the promotion of and respect for the principles of international human rights and sustainable development.

At all of our facilities around the world, we provide equal employment opportunities to all qualified employees and applicants without regard to race, colour, religion, sex, national origin, age or disability, in accordance with applicable European and National laws. Underscoring this policy is our strong concern for our employees' dignity and wellbeing and our commitment to provide a safe, productive and professional work environment. This policy and practice applies to all terms and conditions of employment, including but not limited to: hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training.

In many of our locations Pall has published a comprehensive *Employee Handbook* that addresses these laws and your rights and responsibilities as an employee of the Company. Please refer to it for more specific information regarding our commitment to comply with all applicable employment related laws.

Please be aware that an intentional violation of any Company policy communicated in the *Employee Handbook* or the *Code of Business Conduct* will be considered an act of gross misconduct, and could result in termination. If at any time you have questions regarding the policies described in the *Employee Handbook*, contact your local Human Resources Manager for guidance or an explanation.



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## **Pall Corporation Ethics Committee Members**

Corporate Compliance and Ethics Officer	Jerry Hanifin
Financial	Lisa McDermott
Legal	Roya Behnia
Human Resources	Linda Villa
Product Assurance, Health, Safety and Environmental Affairs	Farsad Fotouhi
Communications	R. Brent Jones
Asia Compliance	Natalie Coombs
European Compliance	Christina Munslow

## **Pall Europe Compliance Committee Members**

Pall Europe Compliance Officer	Christina Munslow
European Compliance Administrator	Allison Jones
Managing Director PEL (Corporate and Shared Services)	Huw Chapman
Health & Safety and Environment	Ian Morrison
Regulatory (Life Sciences)	Carole Durant
Regulatory (Industrial)	TBA
Business Line (Life Sciences)	Edward Hoare
Business Line (Industrial)	Richard Collins
Internal Audit	Roger Gysling
Pall France	Manuel Azcarate
Pall Italy	Francesca Fedeli
Pall Germany / CE	Guenter Ottmann
Pall Norway and Sweden	Ivar Ragnhildstveit
Pall Spain	Juan Martinez
Pall South Africa	Najla Antonie
Pall International Sarl	Martin Freshwater

List correct at time of publication. See Legal & Compliance page of PallNetUK for any changes

## Directory of Contacts Referred to in Pall Europe's Code of Business Conduct

Department	Name	Telephone
Asia Compliance	Natalie Coombs	+61 2 9424 3039
Business Information Center	Mary Wassum	+1 516 801 9199
Chief Executive Officer and President	Lawrence D. Kingsley	+1 516 801 9700
Chief Financial Officer and Treasurer	Lisa McDermott	+1 516 801 9808
Corporate Communications	R. Brent Jones	+1 516 801 9848
Corporate Compliance and Ethics Officer	Jerry Hanifin	+1 516 801 9846
Corporate Safety and Environmental	Farsad Fotouhi	+1 734 913 6130
Corporate Secretary	Roya Behnia	+1 516 801 9830
Ethics/Compliance Hot Line (For all other EMEA locations please refer to the addendum titled Pall Corporation AlertLine)	AlertLine for the UK	0800-032-8483
European Compliance	Christina Munslow	+44 (0)23 9233 8089
Facility Ethics Officer	Contact Local HR Dept.	
General Counsel	Roya Behnia	+1 516 801 9830
Human Resources	Linda Villa	+1 516 801 9504
Intellectual Property and Copyright Infringement	Michael Forzano	+1 516 801 9520
VP Global Internal Audit	Thomas Dowling	+1 516 801 9529
Medical Regulatory Affairs and Quality Assurance	Dr Rob Dickstein	+1 516 801 9599
Security Director (Government Contracts)	Dr Barry Gotlinsky	+1 516 801 9260
Senior Vice President, Global Regulatory Affairs and Quality Operations	Dr Rob Dickstein	+1 516 801 9599

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## ACKNOWLEDGEMENT

To: Human Resource Manager/Location Compliance Officer

A copy of the Pall Europe's Code of Business Conduct was transmitted with this letter.

By signing my name below I am acknowledging that I have carefully read it, that I am aware of this policy, its implications, and the possible consequences of my failure to comply with it.

I am aware that the Code is not an employment contract and the Company may change the Code at any time. I also understand that the Company will make a reasonable effort to communicate material changes to the Code to employees and that it is my responsibility to keep up with those changes.

I am aware of and accept my responsibility to report to the appropriate Pall official any suspected violation of the Code, a law, or a Company policy.

Further, I understand and accept that compliance with Pall Europe's Code of Business Conduct is a condition of employment.

.....  
Signature

.....  
Date

.....  
Please Print Name



## **International Dialing Instructions** **For Pall Corporation AlertLine**

### **Our Commitment**

Pall Corporation's Code of Ethical Behavior (the "Code") applies to all employees, directors, and all others when acting for Pall Corporation, Pall subsidiaries and divisions. The purpose of the Code and an effective Compliance and Ethics Program is to assure ethical conduct and to "prevent, detect, and correct" misconduct before it becomes a legal problem.

If, when faced with an ethical or regulatory compliance decision, you find the Code does not provide you with sufficient information to make an informed decision, consider these resources:

1. Pall's Employee Handbook;
2. your immediate supervisor or manager;
3. your Local Compliance Officer;
4. the Regional or Chief Compliance Officer; or
5. Pall's AlertLine.

**The AlertLine can be reached via telephone using the phone number and/or access code listed for your country (by region) on the following pages.**

The AlertLine is hosted by third party hotline provider, EthicsPoint, and is available 24 hours a day, seven days a week. A native speaker is provided by the intake specialist. You are encouraged to submit reports relating to violations stated in the Code, as well as asking for guidance related to policies and procedures and providing positive suggestions and stories.

The information you provide will be sent to us by EthicsPoint on a confidential and anonymous basis if you should choose (unless prohibited by law in your country). Please be assured you will not be retaliated against for raising a question or concern in good faith. Retaliation or threats of retaliation violate the Code and will not be tolerated.

After you complete your report you will be assigned a unique code called a "report key." Write down your report key and password and keep them in a safe place. After **2-3** business days use your report key and password to check your report for feedback or questions.

**EthicsPoint is NOT a 911 or Emergency Service:** Do not use this phone service to report events presenting an immediate threat to life or property. Reports submitted through this service may not receive an immediate response. If you require emergency assistance, please contact your local authorities.

## EUROPE/MIDDLE EAST/AFRICA

### ALGERIA

#### Reverse Charge Calls / Collect Calls

1. From an outside line contact your local operator.
2. Request a reverse charge or collect call to be placed to the United States, to the number below.
3. When the operator asks who is placing the call, give your company name. Do not give your name.
4. All reverse charge or collect calls, will be accepted by the EthicsPoint Contact Center.

**Algeria**

503-597-4331

### AUSTRIA

#### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

**Austria**

0800-291870

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Deutsch. Other options: English.

### BELGIUM

#### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

**Belgium**

0800-77004

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Français - Nederlands. Other options: Deutsch - Nederlands - English.

## CZECH REPUBLIC

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### Czech Republic

800-142-550

1. Primary language: English.

## FRANCE

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### France

0800-902500

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Français. Other options: English.

## GERMANY

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### Germany

0800-1016582

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Deutsch. Other options: English.

## HUNGARY

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### Hungary

06-800-17199

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Magyar. Other options: English.

## IRELAND

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

**Ireland**

1-800615403

1. Primary language: English.

**ITALY**

**International Toll-Free Service (ITFS)**

From an outside line dial the ITFS number for your location:

**Italy**

800-786907

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Italiano. Other options: Deutsch - Français - English.

**NETHERLANDS**

**International Toll-Free Service (ITFS)**

From an outside line dial the ITFS number for your location:

**Netherlands**

0800-0226174

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Nederlands. Other options: English.

**NORWAY**

**International Toll-Free Service (ITFS)**

From an outside line dial the ITFS number for your location:

**Norway**

800-15654

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Norsk. Other options: Suomi - English.

## POLAND

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### Poland

0-0-800-1211571

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Polski. Other options: English.

## RUSSIA

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### Russia

8-10-8002-6053011

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Русский. Other options: English.

## SOUTH AFRICA

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### South Africa

080-09-92604

1. Primary language: English.

## SPAIN

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### Spain

900-991498

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Español. Other options: English.

## SWEDEN

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### Sweden

020-79-8729

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Svenska. Other options: Suomi - English.

## SWITZERLAND

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### Switzerland

0800-562907

1. Calls will be answered with the following standard recorded greeting:  
"Thank you for calling your ethics reporting hotline. Please remain on the line while we arrange for an interpreter to assist us with your call. This may take up to 3 minutes - please do not hang up. Thank you for your patience."
2. Primary language: Deutsch. Other options: Français - Italiano - English.

## UNITED ARAB EMIRATES

### AT&T Direct Dial Access®

1. From an outside line dial the AT&T Direct Dial Access® for your location:

**United Arab Emirates**

8000-021

**United Arab Emirates (U.S. Military Bases)**

8000-051

**United Arab Emirates (U.S. Military Bases)**

8000-061

4. At the prompt dial **855-603-6993**.
5. The call will be answered in English. To continue your call in another language:
  1. Please state your language to request an interpreter.
  2. It may take 1-3 minutes to arrange for an interpreter.
  3. During this time please do not hang up

## UNITED KINGDOM

### International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

#### United Kingdom

0800-032-8483

1. Primary language: English.







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