



Message from our Chief Executive Officer and General Counsel

To All Members of the Shake Shack Team,

Our present and future reputation is and will continue to be built upon the principles of fair dealing and ethical conduct by all of our employees, our officers, our members of the Board of Directors, and our licensees. Our reputation of integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations as well as a dedication to maintaining the highest standards of conduct and personal integrity. While Shake Shack strives to comply with the spirit and letter of all applicable laws and regulations, we expect our employees, directors and partners to do the same. We also expect all of our constituents to refrain from engaging in any dishonest or unethical conduct in connection with Shake Shack business.

We have developed a Code of Business Conduct & Ethics (the "*Code*") to provide a framework for conducting business in accordance with these legal and ethical standards. We encourage you to read the Code carefully, and to consider how the laws, rules, and guidance included in the Code might apply to your work and responsibilities related to Shake Shack. If you face a challenge that is not addressed by the Code, we expect that you will use the Code as a guide to address the challenge in a way that complies with our values and all applicable legal requirements. You should not hesitate to ask questions about the Code. We also ask you to help us enforce the Code by reporting any violations or suspicions of violations.

Every member of the Shake Shack team has an important role to play as our business grows and as legal requirements change. Our expectation is that our entire team will face every challenging situation with the highest level of integrity.

As a member of this team, you share the privilege and responsibility of upholding Shake Shack's reputation. We look forward to working with all of you as we grow our company and as we continue to positively impact the communities we serve.



Randy Garutti
Chief Executive Officer



Ron Palmese
General Counsel

SHAKE SHACK'S CODE OF BUSINESS CONDUCT AND ETHICS

We are committed to being not only the founder of but leader in the world of “Fine Casual” Dining – where our fine dining roots meet the world of fast casual to create a guest experience that is positively unexpected – an experience that blends high quality ingredients with warm and thoughtful hospitality.

Our Mission: “Stand for Something Good”

In fact, at Shake Shack we think this statement is so important that we print it on every Shack employee's shirt. Our mission statement allows us to check ourselves in everything we do and in every decision we make. It reminds us that our guests deserve to “stand for something good” as they wait in line to enjoy the highest quality products in a warm and inviting setting. As such, our product and vendor selection as well as our interior design and site selection are done with a thoughtful approach to our social responsibility.

It is not uncommon to hear someone say, “How does this decision *stand for something good?*” It is our mantra and it holds many meanings for us, but it is primarily a statement that continually reminds us that everything we do, we do with a strong sense of integrity and with a purpose that is positive.

Our Promise: The Shack Pact

The Shack Pact defines what we believe in and what is important to us as employees, as managers, as leaders and as a company. It is our core set of principles and it is the standard we use to hold ourselves and each other accountable for the Team, Hospitality, Food and Drink, Communication and the Shack. By holding these things sacred and by promising to live and lead by these standards, we can continuously ensure that we *Stand for Something Good*.

About this Code of Conduct

This Code contains guidelines for a variety of situations in which ethical issues may arise, but it is not possible to cover every situation that may be encountered. For additional information, please refer to the Shake Shack Handbook to review the appropriate policies and practices as necessary. An immediate supervisor should always be the best source of information and guidance; however, do not hesitate to bring questions or concerns to the People Resources Department or any member of the Company's senior level leadership team.

- Know and understand this Code and follow its requirements at all times.
- Comply with local, state and federal laws as well as the Company's rules and requirements.
- Be aware of and avoid any situation that could lead to inappropriate business conduct or even the *appearance* of inappropriate conduct.
- At all times, conduct Company business with the highest standard of ethics and integrity.

Note that, at times, this Code may require conduct that exceeds the requirements of the law. All officers and employees of our company as well as the members of our Board of Directors are

required to conduct themselves in accordance with this Code even if applicable law may be accepting of a lower standard in certain situations.

Things to Consider When Making Decisions

We recognize that not all ethical questions are easily resolved; however, most situations can be resolved by a common sense application of some basic considerations. The following is intended to assist with how to approach ethical concerns and decisions:

Consider all of the above along with our reputation when setting out to make decisions or solve an issue.

Always stop to understand the broader implications of the decision:

- Who will it effect and how will it affect them?
- Would you be proud to have it printed on the front page of the newspaper?
- Would every level of the Company respect it?
- Is it for the right reasons?
- Does it Stand for Something Good?
- What would you tell a loved one to do?
- At the end of your career, will you be proud of this when you look back at it?

You should consider it a red flag if you hear, or think to yourself, such things as:

- No one will ever know.
- Everybody does it.
- No one will get hurt by it.
- We never had this conversation.
- I could get in big trouble for this.
- Shred it or delete it right away.

Continue to refer to these considerations and questions. If ever in doubt, consult this Code, the Shake Shack Handbook or contact People Resources.

Compliance with this Code

The obligation to conduct business in a legal and ethical manner is one that falls on all of our shoulders. This Code is not optional. It is a mandatory policy with which all directors, officers and employees must comply. Failure to comply with this Code may result in disciplinary action up to and including termination of employment, and possible legal action if necessary. Signing this Code does not result in a contract of any kind.

Purpose

This Code contains general guidelines for conducting the business of Shake Shack Inc. and its subsidiaries (collectively, the “*Company*”) consistent with the highest standards of business ethics.

This Code applies to all of our employees, our officers, members of Shake Shack’s Board of Directors, and our licensees. In addition, our principal executive officer, principal financial officer, principal accounting officer or controller, if any, and persons performing similar functions (collectively, our “*Senior Financial Officers*”), are subject to the Company’s Code of Ethics for Senior Financial Officers.

Seeking Help and Information

This Code is not intended to be a comprehensive rulebook and cannot address every situation. If there is an uncomfortable situation or if there is any doubt about whether the situation is inconsistent with the Company’s ethical standards, the employee, regardless of one’s position within the Company, should seek help. Everyone is encouraged to contact an immediate supervisor for help first. Should the supervisor not be in a position to adequately respond to the issue or should the employee feel uncomfortable to contact him or her, (s)he should contact People Resources or the General Counsel. In the event the employee would like to remain anonymous, there is a confidential Ethics Hotline that is available 24 hours per day, 7 days per week at (800) 916-7037 (enter identifier SHAK or 7425), or via its website at https://irdirect.net/SHAK/whistleblower_iframe. Certain situations may require an investigation in order to be resolved. In such cases, the employee’s identity may assist the Company in addressing the specific questions or concerns.

Reporting Violations of the Code

All employees, officers, directors and licensees have a duty to report any known or suspected violation of this Code, including violations of the laws, rules, regulations or policies that apply to the Company. If there is an apparent or suspected violation of this Code, employees are to immediately report the conduct to an immediate supervisor, People Resources, the General Counsel or the Company’s Ethics Hotline. As provided in the Code of Ethics for Senior Financial Officers, Senior Financial Officers are to immediately report the conduct to the General Counsel. As previously stated, when submitting a report to the Ethics Hotline, employees and directors may remain anonymous, and will not be required to reveal one’s identity in calls to the Ethics Hotline, although providing identity may assist the Company in investigating specific situations and concerns. All reports of known or suspected violations of the law or this Code will be handled with the utmost sensitivity and discretion. The employee’s immediate supervisor, People Resources, the General Counsel, and any other individual duly authorized to participate in the investigation and follow-up to the report will protect all identity and confidentiality to the greatest extent possible, consistent with applicable laws and the Company’s need to investigate potential concerns.

The conduct of any Company representative, if it does not comply with the law or with this Code, can result in serious consequences for both the individual and the Company. It is

Company policy that employees, officers, and/or licensees of Shake Shack who violate this Code will be subject to appropriate disciplinary action, which may include termination of employment as appropriate. This determination will be based upon the facts and circumstances of each particular situation as well as the outcome of the investigation. Prior to determining the appropriate disciplinary action, anyone who is accused of violating this Code will be given an opportunity to present one's version of the events at issue. Individuals who violate the law or this Code may expose themselves to substantial civil or even criminal damages up to and including fines and prison terms. As a result of these types of violations, the Company may also be subject to similar penalties that could damage our reputation and good standing in the community.

Policy Against Retaliation

The Company prohibits retaliation against any employee or director of the Company who, in good faith, seeks help, reports known or suspected violations, or participates in the investigation of such a report. Any reprisal or retaliation against an employee because the employee, in good faith, sought help, submitted a report, or participated in an investigation of such a report will be subject to disciplinary action, up to and including potential termination of employment.

Waivers of the Code

Any waiver of this Code for our directors, executive officers or Senior Financial Officers may be made only by our Board of Directors and will be disclosed to the public as required by law or the rules of the New York Stock Exchange, when applicable. Waivers of this Code for other employees may be made only by our Chief Executive Officer or General Counsel and will be reported to our Audit Committee.

Conflicts of Interest

Identifying Potential Conflicts of Interest

Employees and directors are required to act in the best interests of the Company and are expected to refrain from engaging in any activity or having a personal interest that presents a "conflict of interest," and avoid even the appearance of a conflict of interest. A conflict of interest occurs when someone's personal interest has the potential to interfere with the interests of the Company. A conflict of interest can arise when an employee, officer or director takes action or has an interest that prevents or has the potential to prevent him or her from performing his or her Company duties and responsibilities honestly, objectively and effectively.

Identifying potential conflicts of interest may not always be easy. The following situations might reasonably be expected to give rise to a conflict of interest and should be brought to the attention of, and addressed by, the General Counsel or the Board of Directors:

- **Outside Employment.** An employee being employed by, serving as a director of, or providing any services to a company that the individual knows or suspects is a material customer, supplier or competitor of the Company (other than services to be provided as part of an employee's job responsibilities for the Company).

- Improper Personal Benefits. An employee or director obtaining any material (as to him or her) personal benefits or favors because of his or her position with the Company. Please see “Gifts and Entertainment” below for additional guidelines in this area.
- Financial Interests. An employee having a “material interest” (ownership or otherwise) in any company that the individual knows or suspects is a material customer, supplier or competitor of the Company and using his or her position to influence a transaction with such company. Whether an employee has a “material interest” will be determined by the Board of Directors in light of all of the circumstances, including consideration of the relationship of the employee to the customer, supplier or competitor, the relationship of the employee to the specific transaction and the importance of the interest to the employee having the interest.
- Loans or Other Financial Transactions. An employee or director obtaining loans or guarantees of personal obligations from, or entering into any other personal financial transaction with, any company that the individual knows or suspects is a material customer, supplier or competitor of the Company. This guideline does not prohibit arms-length transactions with banks, brokerage firms or other financial institutions.
- Service on Boards and Committees. An employee or director serving on a board of directors or trustees or on a committee of any entity (whether profit or not-for-profit) whose interests reasonably would be expected to conflict with those of the Company.
- Interests of Family Members. The interests of family members outside the workplace may also give rise to the conflicts of interest described above because they may influence an employee’s or director’s objectivity in making decisions on behalf of the Company. For purposes of this Code, “family members” include your spouse or life-partner, brothers, sisters, parents, in-laws and children whether such relationships are by blood or adoption. If you are uncertain whether a particular company is a material customer or supplier, please contact the General Counsel for assistance.

Disclosure of Conflicts of Interest

The Company requires that employees and directors disclose any situation that reasonably would be expected to give rise to a conflict of interest. Employees who suspect that a situation could give rise to a conflict of interest, or something that others could reasonably perceive as a conflict of interest, must report it in writing to their immediate supervisor or to the General Counsel. Executive officers, Senior Financial Officers and members of the Board of Directors must report suspected conflicts of interest to the Board of Directors. The General Counsel or the Board of Directors, as applicable, will determine whether there is a conflict of interest and, if so, how best to address it. All transactions that would give rise to a conflict of interest involving a director, executive officer or Senior Financial Officer must be approved by the Board of Directors, and any such approval will not be considered a waiver of this Code.

Business Opportunities

Employees of the Company have an obligation to advance the Company's interests when the opportunity to do so arises. Employees who discover or are presented with a business opportunity through the use of Company property or information, or because of their position with the Company, must first present the business opportunity to the Company before pursuing the opportunity in their individual capacity. No employee may use corporate property, information, or his or her position with the Company for personal gain, nor compete with the Company while employed by us.

Individuals must disclose to an immediate supervisor the terms and conditions of each business opportunity covered by this Code that is to be pursued. The supervisor will contact the General Counsel and the appropriate management personnel to determine whether the Company wishes to pursue the business opportunity. If the Company waives its right to pursue the business opportunity, the individual may then pursue the business opportunity on the same terms and conditions as originally proposed and consistent with the other ethical guidelines set forth in this Code.

Confidential Information

Employees and directors have access to a variety of confidential information regarding the Company. Confidential information includes all non-public information that might be of use to competitors, or, if disclosed, harmful to the Company or its customers or suppliers. Employees and directors have a duty to safeguard all confidential information of the Company or third parties with which the Company conducts business, except when disclosure is authorized or legally mandated. Unauthorized disclosure of any confidential information is prohibited. Additionally, employees and directors should take appropriate precautions to ensure that confidential or sensitive business information, whether it is proprietary to the Company or another company, is not communicated within the Company except to employees and directors who have a need to know such information to perform their responsibilities for the Company. An employee's and director's obligation to protect confidential information continues after he or she leaves the Company. Unauthorized disclosure of confidential information could cause competitive harm to the Company or its customers. Further, the unauthorized disclosure of confidential information could result in legal liability to the former employee and the Company.

Any questions or concerns regarding whether disclosure of Company information is legally mandated should be promptly referred to the General Counsel.

Competition and Fair Dealing

All employees should endeavor to deal fairly with fellow employees and with the Company's collaborators, licensors, customers, suppliers and competitors. Employees should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice. Employees should maintain and protect any intellectual property licensed from licensors with the same care as they employ with regard to Company-developed intellectual property. Employees should also handle the nonpublic information of our collaborators, licensors, suppliers and customers

responsibly and in accordance with our agreements with them, including information regarding their technology and products.

Gifts and Entertainment

The giving and receiving of gifts can be a common and valid business practice. Appropriate business gifts and entertainment are welcome courtesies designed to build relationships and understanding among business partners. Gifts and entertainment, however, should never compromise, or appear to compromise, any person's ability to make objective and fair business decisions, or the ability of others to make their own objective and fair business decisions. In addition, it is important to note that the giving and receiving of gifts are subject to a variety of laws, rules and regulations applicable to the Company's operations. These include, without limitation, laws covering the marketing of products, bribery, and kickbacks. Each individual covered by this Code is expected to understand and to comply with all laws, rules and regulations that apply to his or her job position.

Using good judgment in this area is everyone's responsibility. As a general rule, giving or receiving gifts or entertainment to or from collaborators, customers or suppliers is limited to gifts or entertainment that is infrequent, modest, intended to further legitimate business goals, in compliance with applicable law, and only when the gift or entertainment would not be viewed as an inducement to or reward for any particular business decision. All gifts and entertainment expenses must be properly accounted for on expense reports. When conducting business outside of the United States, be particularly careful to ensure that gifts and business entertainment are not construed as bribes, kickbacks or other improper payments. Please see the "Applicable Anti-Corruption Laws" section of this Code for a more detailed discussion of our policies regarding giving or receiving gifts related to business transactions in other countries.

Every effort should be made to refuse or return a gift that is beyond these permissible guidelines. If it would be inappropriate or not possible to refuse or to return a gift, promptly report the gift to your supervisor. Your supervisor will bring the gift to the attention of the General Counsel, who may require you to donate the gift to an appropriate community organization. If it is questionable whether or not it is appropriate to accept a gift or something else of material value, employees are to contact their supervisor or a Senior Financial Officer for additional guidance.

Company Records

Accurate and reliable records are crucial to our business. Our records are the basis of our earnings statements, financial reports, regulatory submissions and many other aspects of our business and guide our business decision-making and strategic planning. Company records include financial records, personnel records, records relating to our technology and product development, clinical development, customer collaborations, manufacturing and regulatory submissions and all other records maintained in the ordinary course of our business.

All Company records must be complete, accurate and reliable in all material respects. Each employee and director must follow any formal document retention policy of the Company with respect to Company records within such employee's or director's control. Please contact

your supervisor or the General Counsel to obtain a copy of any such policy or with any questions concerning any such policy.

Protection and Use of Company Assets

Employees should protect the Company's assets and ensure their efficient use for legitimate business purposes only and not for any personal benefit or the personal benefit of anyone else. Theft, carelessness and waste have a direct impact on the Company's financial performance. The use of Company funds or assets, whether or not for personal gain, for any unlawful or improper purpose is prohibited.

Employees should be aware that Company property includes all data and communications transmitted or received to or by, or contained in, the Company's electronic or telephonic systems. Company property also includes all written communications. Employees and other users of this property should have no expectation of privacy with respect to these communications and data. To the extent permitted by law, the Company has the ability, and reserves the right, to monitor all electronic and telephonic communication. These communications may also be subject to disclosure to law enforcement or government officials.

Accuracy of Financial Reports and Other Public Communications

As a public company we are subject to various securities laws, regulations and reporting obligations. Both federal law and our policies require the disclosure of accurate and complete information regarding the Company's business, financial condition and results of operations. Inaccurate, incomplete or untimely reporting will not be tolerated and can severely damage the Company and result in legal liability.

The Company's Senior Financial Officers and other employees working in the finance department have a special responsibility to ensure that all of our financial disclosures are full, fair, accurate, timely and understandable. These employees must understand and strictly comply with generally accepted accounting principles and all standards, laws and regulations for accounting and financial reporting of transactions, estimates and forecasts.

Compliance with Laws and Regulations

Each employee and director has an obligation to comply with all laws, rules and regulations applicable to the Company's operations. These include, but are not limited to laws covering: bribery and kickbacks, copyrights, trademarks and trade secrets, information privacy, insider trading, illegal political contributions, antitrust prohibitions, foreign corrupt practices, import and exports, sanctioned countries or persons, offering or receiving gratuities, environmental hazards, employment discrimination or harassment, occupational health and safety, false or misleading financial information or misuse of corporate assets. Employees and directors are expected to understand and comply with all laws, rules and regulations that apply to his or her particular job position. If any doubt exists about whether a course of action is lawful, individuals are to seek advice from their supervisor or the General Counsel.

Interactions with Governments

The Company may conduct business with the U.S. government, state and local governments and the governments of other countries. The Company is committed to conducting its business with all governments and their representatives with the highest standards of business ethics and in compliance with all applicable laws and regulations, including the special requirements that apply to communications with governmental bodies who may have regulatory authority over our products and operations, such as government contracts and government transactions.

If an individual's job responsibilities include interacting with the government, he/she is expected to understand and comply with the special laws, rules and regulations that apply to their particular job position as well as with any applicable standard operating procedures that the Company has implemented. If any doubt exists about whether a course of action is lawful, individuals are to seek advice immediately from their supervisor and the Company's General Counsel.

In addition to the above, approval must be obtained from the Chief Executive Officer or General Counsel for any work activity that requires communication with any member or employee of a legislative body or with any government official or employee. Work activities covered by this policy include meetings with legislators or members of their staffs or with senior executive branch officials on behalf of the Company. Preparation, research and other background activities that are done in support of lobbying communication are also covered by this policy even if the communication ultimately is not made. If any doubt exists about whether a given work activity would be considered covered by this provision, individuals are to seek advice immediately from their supervisor and the General Counsel.

Political Contributions and Volunteer Activities

The Company encourages its employees and directors to participate in the political process as individuals and on their own time. However, federal and state contribution and lobbying laws severely limit the contributions the Company can make to political parties or candidates. It is Company policy that Company funds or assets not be used to make a political contribution to any political party or candidate, unless prior approval has been given by our Chief Executive Officer. The Company will not reimburse individuals for personal political contributions. When participating in non-Company political affairs, individuals have an obligation to be careful to make it clear that the views and actions expressed are their own, and are not made on behalf of the Company. In addition, neither political nor social or charitable contributions may be used to obtain or retain business or an improper business advantage for the Company. Please contact the General Counsel with any questions about this policy.

Compliance with Antitrust Laws

Antitrust laws of the United States and other countries are designed to protect consumers and competitors against unfair business practices and to promote and preserve competition. Our policy is to compete vigorously and ethically while complying with all antitrust, monopoly, competition or cartel laws in all countries, states or localities in which the Company conducts

business. Violations of antitrust laws may result in severe penalties against the Company and its employees, including potentially substantial fines and criminal sanctions. All employees and directors are expected to maintain basic familiarity with the antitrust principles applicable to their activities, and should consult the Company's General Counsel with any questions concerning compliance with these laws.

Meetings with Competitors

Employees should exercise caution in meetings with competitors. Any meeting with a competitor may give rise to the appearance of impropriety. As a result, if there is a specific, business-related reason for such a meeting, individuals are to obtain the prior approval of an executive officer of the Company. Such meetings are to be closely monitored, and held in a controlled environment for a limited period of time. An agenda must be created and circulated in advance of any such meetings, and the contents of these meetings should be fully documented.

Professional Organizations and Trade Associations Employees should be cautious when attending meetings of professional organizations and trade associations at which competitors are present. Attending meetings of professional organizations and trade associations is both legal and proper, if such meetings have a legitimate business purpose and are conducted in an open fashion, adhering to a proper agenda. At such meetings, restricted topics listed above may not be discussed, the Company's pricing policies, other competitive terms or any other proprietary, competitively sensitive information. Advance notification is necessary before attending any meeting of a professional organization or trade association. Discuss it with an immediate supervisor or with the General Counsel.

Compliance with Insider Trading Laws

Consistent with the Company's Insider Trading Compliance Policy, the Company's officers, other employees and members of the Board of Directors are prohibited from trading in the stock or other securities of the Company while in possession of material nonpublic information about the Company. In addition, the Company's officers, other employees and directors are prohibited from recommending, "tipping off" or suggesting that anyone else buy or sell the Company's stock or other securities on the basis of material non-public information. Employees and directors who obtain material non-public information about another company in the course of their duties are prohibited from trading in the stock or securities of the other company while in possession of such information or "tipping off" others to trade on the basis of such information. Violation of insider trading laws can result in severe fines and criminal penalties, as well as disciplinary action by the Company, up to and including termination of employment. Carefully read and observe our Insider Trading Compliance Policy, as amended from time to time. Please contact the General Counsel for a copy of the Insider Trading Compliance Policy or with any questions about insider trading laws.

Public Communications and Regulation FD

Public Communications Generally

The Company places a high value on its credibility and reputation in the community. What is written or said about the Company in the news media and investment community

directly impacts our reputation, positively or negatively. Our policy is to provide timely, accurate and complete information in response to public requests (from media, analysts, etc.), consistent with our obligations to maintain the confidentiality of competitive and proprietary information and to prevent selective disclosure of market-sensitive financial data. The Company has adopted a separate Policy Statement – Guidelines for Corporate Disclosure to maintain the Company’s credibility and reputation in the community, to maintain the confidentiality of competitive and proprietary information and to prevent selective disclosure of market-sensitive financial data. Please contact the Company’s General Counsel for a copy of the Policy Statement – Guidelines for Corporate Disclosure or with any questions about disclosure matters.

Compliance with Regulation FD

In connection with its public communications, the Company is required to comply with a rule under the federal securities laws referred to as Regulation FD (which stands for “fair disclosure”). Regulation FD provides that, when material non-public information is disclosed about the Company to securities market professionals or stockholders (where it is reasonably foreseeable that the stockholders will trade on the information), we must also disclose the information to the public. “Securities market professionals” generally include analysts, institutional investors and other investment advisors. Please read carefully and comply with our Policy Statement – Guidelines for Corporate Disclosure, as amended from time to time. Be sure to inform a supervisor or the General Counsel if a copy of our Policy Statement – Guidelines for Corporate Disclosure is not available.

Applicable Anti-Corruption Laws

Prohibitions

Applicable anti-corruption laws, including the Foreign Corrupt Practices Act (the “*FCPA*”) and, where applicable, the UK Bribery Act (“*Bribery Act*”) and other local anti-corruption laws, prohibit the Company and its employees, directors and agents from offering, giving or promising money or any other item of value, directly or indirectly, with the intent to improperly secure business, retain business, or to influence any act or decision of any government official, political party, candidate for political office or official of a public international organization. Stated more concisely, Company employees are prohibited from giving or receiving bribes, kickbacks or other inducements in order to obtain an improper business advantage. This prohibition also extends to payments to a third party agent of the Company (an “*intermediary*”) if there is reason to believe that the payment will be used indirectly for a prohibited payment to foreign officials. Indirect payments include any transfer of money or other item of value to another individual or organization where the person making the transfer knows or has reason to know that some or all of that transfer is for the benefit of an individual to whom direct payments are prohibited. The use of intermediaries for the payment of bribes, kickbacks or other inducements is expressly prohibited. Violation of an applicable anti-corruption law can result in severe fines and criminal penalties, as well as disciplinary action by the Company, up to and including termination of employment. For further guidance, please see the Global Anti-Corruption Compliance Policy.

International Trade Laws

The Company operates worldwide and its employees, directors and agents must know and comply with U.S. laws and regulations that govern international operations, as well the local laws of countries where the Company's operations occur. The United States and many countries have laws that restrict or otherwise require licensing for the export or import of certain goods and services to other countries or to certain parties. U.S. laws and regulations also impose various trade sanctions or embargoes against other countries or persons, and prohibit cooperation with certain boycotts imposed by some countries against others. The Company does not participate in prohibited boycotts.

The scope of these licensing requirements, trade sanctions or trade embargoes may vary widely from country to country. They may range from specific prohibitions on trade of a given item to a total prohibition of all commercial transactions. It is important to note that the Company may not facilitate or encourage a non-domestic company to perform a transaction that it could not perform itself pursuant to sanctions laws.

Employees or directors involved in export transactions or international operations must familiarize themselves with the list of countries against which the United States maintains comprehensive sanctions (currently, Cuba, Iran, Sudan, Syria, and North Korea) and the rules relating to exporting to or transacting with such countries, either directly or indirectly through foreign subsidiaries or other third parties. Due to the complexities of these international trade laws, contact the General Counsel before exporting or importing goods or services, or engaging in transactions with countries or persons that may be affected by economic or trade sanctions. If requested to participate in or cooperate with an international boycott that the United States does not support (*e.g.*, the boycott of Israel sponsored by the Arab League), you may not agree to or comply with such request. Immediately report this request to the General Counsel. For further guidance, please see the International Trade Compliance Policy.

Environment, Health and Safety

The Company is committed to providing a safe and healthy working environment for its employees and to avoiding adverse impact and injury to the environment and the communities in which it does business. Company employees and directors must comply with all applicable environmental, health and safety laws, regulations and Company standards. It is your responsibility to understand and comply with the laws, regulations and policies that are relevant to your job. Failure to comply with environmental, health and safety laws and regulations can result in civil and criminal liability against the offending employee and the Company, as well as disciplinary action by the Company, up to and including termination of employment. Contact the General Counsel with questions about the applicable laws, regulations and policies.

Environment

All Company employees and directors should strive to conserve resources and reduce waste and emissions through recycling and other energy conservation measures. Everyone is expected to promptly report any known or suspected violations of environmental laws or any events that may result in a discharge or emission of hazardous materials.

Health and Safety

The Company is committed not only to comply with all relevant health and safety laws, but also to conduct business in a manner that protects the safety of its employees. All employees and directors are required to comply with all applicable health and safety laws, regulations and policies relevant to their positions. Concerns about unsafe conditions or tasks that present a risk of injury are to be reported immediately to a supervisor or to the General Counsel.

Employment Practices

The Company pursues fair employment practices in every aspect of its business. The following is only intended to be a summary of certain of our employment policies and procedures. Copies of the Company's detailed policies, including the Employee Handbook, are available from the People Resources Department. Company employees must comply with all applicable labor and employment laws, including anti-discrimination laws and laws related to freedom of association and privacy. It is your responsibility to understand and comply with the laws, regulations and policies that are relevant to your job. Failure to comply with labor and employment laws can result in civil and criminal liability against you and the Company, as well as disciplinary action by the Company, up to and including termination of employment. Contact the Company's People Resources Department with any questions about these laws, regulations and policies.

Harassment and Discrimination

The Company is committed to providing equal opportunities and fair treatment to all individuals on the basis of merit, without discrimination because of race, color, religion, national origin, sex (including pregnancy), sexual orientation, age, disability, veteran status or other characteristic protected by law. The Company also prohibits harassment based on these characteristics in any form, whether physical or verbal and whether committed by supervisors, non-supervisory personnel or non-employees. Harassment may include, but is not limited to, offensive sexual flirtations, unwanted sexual advances or propositions, verbal abuse, sexually or racially degrading words, or the display in the workplace of sexually suggestive or racially degrading objects or pictures.

Complaints about conduct that is discriminatory or harassing in nature must be reported to a supervisor or the People Resources Department immediately. All complaints will be treated with sensitivity and discretion. Supervisors, the People Resources Department and the Company will protect the confidentiality of the alleging party to the greatest extent possible, consistent with law and the Company's need to investigate the claim or concern. Where the investigation uncovers harassment or discrimination, prompt corrective action will be taken against the accused, which may include disciplinary action by the Company, up to and including, termination of employment. The Company strictly prohibits any retaliation against an employee who, in good faith, files a complaint.

Any member of management who has reason to believe that an employee has been the victim of harassment or discrimination or who receives a report of alleged harassment or discrimination is required to report it to the People Resources Department immediately.

Alcohol and Drugs

The Company is committed to maintaining a drug-free work place. All Company employees must comply strictly with Company policies regarding the abuse of alcohol and the possession, sale and use of illegal substances. Drinking alcoholic beverages is prohibited while on duty or on the premises of the Company, except at specified Company-sanctioned events or as otherwise authorized by management. Possessing, using, selling or offering illegal drugs and other controlled substances is prohibited under all circumstances while on duty or on the premises of the Company. Likewise, employees are prohibited from reporting for work, or driving a Company vehicle or driving any vehicle on Company business, while under the influence of alcohol or any illegal drug or controlled substance.

Violence Prevention and Weapons

The safety and security of Company employees is vitally important. The Company will not tolerate violence or threats of violence in, or related to, the workplace. Individuals who experience, witness or otherwise become aware of a violent or potentially violent situation that occurs on the Company's property or affects the Company's business must immediately report the situation to a supervisor or to the People Resources Department.

The Company does not permit any individual to have weapons of any kind on Company property or in vehicles, while on the job or while off-site on Company business. This is true even if legal permits to carry weapons have been obtained. The only exception to this policy applies to security personnel who are specifically authorized by Company management to carry weapons within the scope of their job.

Conclusion

This Code contains general guidelines for conducting the business of the Company consistent with the highest standards of business ethics. Please direct any questions about these guidelines to a supervisor or to the Company's General Counsel or the Ethics Hotline at (800) 916-7037 (enter identifier SHAK or 7425), or via its website at https://irdirect.net/SHAK/whistleblower_iframe. The Company expects all of its employees and directors to adhere to these standards.

This Code and the matters contained herein are neither a contract of employment nor a guarantee of continuing Company policy. The Company reserves the right to amend, supplement or discontinue this Code and the matters addressed herein, without prior notice, at any time.

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