

Business Conduct Guidelines

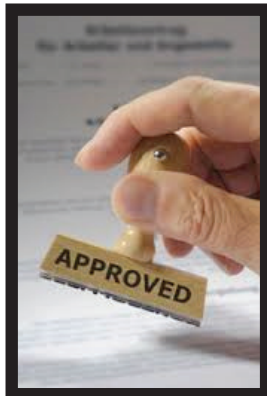




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The Business Conduct Guidelines (BCGs) establish the position of the Pennsylvania Turnpike Commission (PTC) with respect to business conduct. The BCGs have been adapted to:

- endorse and promote the PTC's commitment to honest and ethical behavior, including fair dealings and the avoidance of conflicts of interest;
- ensure compliance with applicable laws, rules and regulations;
- protect the PTC's business interests; and
- deter criminal behavior.

USING THE BUSINESS CONDUCT GUIDELINES

The BCGs were established to provide general guidance for acceptable business conduct. PTC employees are expected to comply with all applicable policies, procedures and guidelines, some of which are referenced throughout the BCGs. As we all know, there are no single set of guidelines, policies or procedures that can provide guidance to address all circumstances. That is why we expect all PTC employees to abide by all applicable laws and policies when exercising their duties, responsibilities and daily activities. When in doubt, ask for help and guidance from senior management or the Compliance or Legal Departments. A violation of any BCG may result in disciplinary action up to and including termination.

To a substantial degree, the reputation of the PTC is determined by our actions and by the way each and every one of us presents and conducts himself/herself. Illegal or inappropriate behavior on the part of even a single employee can cause the PTC considerable damage. Every employee should be concerned with maintaining and promoting a positive public image of the PTC.

In addition, the PTC expects its vendors, suppliers, contractors and business partners to act in accordance with the BCGs and share the PTC's values and comply with all applicable laws.



SECTION 1: MANAGEMENT, RESPONSIBILITY AND SUPERVISION

The culture of integrity, ethical behavior and compliance in an organization starts at the top. All managers must fulfill their duties within the organization and be responsible for all employees assigned to them. All managers must earn respect by exemplary behavior, job performance and openness in all interactions with fellow employees and the public. This means, among other things, that each manager must emphasize the importance of ethical conduct and compliance, make them regular topics of everyday business and promote them through leadership and training. Each manager must also set clear and realistic goals and lead by example.

All managers shall be accessible in the event employees need to raise compliance concerns, ask questions or discuss a work-related issue. However, these duties of managers do not relieve employees of their own responsibilities. We must all work together to comply with applicable laws and PTC's Code of Conduct, policies, procedures and guidelines. Specific manager responsibilities are listed here to demonstrate to PTC employees the leadership and support they should expect from their superiors.

It is the obligation of all managers to be aware of any possible violations of laws within their area of responsibility and when necessary to provide proper supervision to prevent any potential violations of the law. They remain responsible, even if they delegate certain duties.

In particular, the following duties apply to all PTC managers:

- The manager must give precise and complete instructions to employees, especially with regard to compliance with the law.
- The manager must ensure that compliance with the law is diligently monitored.
- The manager must clearly communicate to employees the importance of integrity and compliance in everyday business. He/she must also communicate to employees that violations of the law are unacceptable and may have employment and legal consequences.



SECTION 2: ADHERENCE TO THE LAW

Observing the law is a fundamental principle for all PTC employees. All PTC employees must obey the laws, regulations and all applicable policies and procedures. Violations of the law must be avoided under all circumstances. Regardless of the sanctions that could be imposed by law, all PTC employees who have violated the law will be subject to disciplinary actions. Because of the violation, they will be subject to discipline up to and including termination.

Employees who have questions regarding a proposed course of action or an action already taken should discuss the matter with their manager/supervisor. The manager should consult with the Chief Compliance Officer who, in turn, shall consult the PTC Legal Department (or approved external counsel) as required. In the event an employee has reason to believe that his/her manager is the individual engaging in this activity they shall take their concern to the Chief Compliance Officer (or Chief Counsel if they believe the violation involves the Compliance Office).

Employees are expected to act with honesty and integrity. PTC employees should promptly report unethical behavior or practices to the appropriate manager, the PTC's Tip Line (1-888-317-3110) or the Chief Compliance Officer.

Employees must also abide by and comply with the following: the PTC's Code of Conduct (Policy Letter 3.10), the Public Official and Employee Ethics Act (65 Pa. C.S. § 1101 et seq.), the PTC's Standards of Conduct (74 Pa. C.S. § 8201 et seq.), the Adverse Interest Act (71 P.S. § 776.1 et seq.) and various Federal and State criminal statutes. (These documents can be found on the PTC Intranet in the main document library).

SECTION 3: RESPECT AND DIGNITY IN THE WORKPLACE

The PTC is committed to ensuring that all employees, vendors, business partners, suppliers, contractors, customers and the general public are treated with respect and dignity. The PTC will not tolerate harassment and/or discriminatory acts or practices by any of its employees. (See the PTC's **American with Disabilities Act Policy Letter 2.1**, **Sexual Harassment and Sexual Discrimination Policy Letter 3.3** and **Workplace Violence Policy Letter 3.7**)

SECTION 4: ETHICAL BUSINESS PRACTICES

The PTC does not seek to engage in illegal or unethical business practices or behavior. Each employee should deal fairly and ethically with the PTC's customers, vendors, suppliers, contractors, business partners and employees.





SECTION 5: WORKING WITH OUTSIDE ENTITIES

The PTC expects its vendors, suppliers, contractors and business partners to share its values and comply with all applicable laws. Furthermore, the PTC expects its vendors, suppliers, contractors and business partners to act in accordance with the following principles:

- comply with all applicable laws, including but not limited to health and safety of their employees and environmental laws;
- prohibit corruption;
- respect employees;
- ensure compliance with the BCGs; and
- strictly adhere to the policies, procedures and established protocols regarding all procurement matters.

SECTION 6: CONTRACT AND COMMITMENT GUIDELINES

Employees must ensure that all contracts including Purchase Orders, Change Orders, Supplements and Amendments have proper authorizations and documentation. All contract requirements associated with a contract must be in alignment with the BCGs and reviewed, acknowledged and signed by the contracting parties.

SECTION 7: CONFIDENTIALITY

Confidentiality must be maintained at all times. Therefore, unless specifically designated as public information by the PTC, any confidential or proprietary materials, documents and information of the PTC that an employee, vendor, supplier, contractor or business partner obtains as a result of his/her employment or contractual relationship with the PTC shall be treated as confidential information. PTC employees, vendors, suppliers, contractors and business partners are prohibited from releasing or disclosing any such information to anyone who is not a PTC employee or authorized individual to receive such information. Questions regarding the release or disclosure of PTC information should be directed to the PTC's Chief Compliance Officer or Legal Department.

CONFIDENTIAL
TOP SECRET
CLASSIFIED

Violations of this Section may result in discipline of PTC employees up to and including termination and/or termination of contractual relationship with the vendor, supplier, contractor or business partner and other possible legal remedies.

SECTION 8: PROTECTION AND PROPER USE OF PTC ASSETS

To ensure the protection of PTC assets, it is the duty of PTC employees, vendors, suppliers, contractors and business partners to promptly report to the Chief Compliance Officer or to the PTC's Tip Line (1-888-317-3110) known or suspected acts of fraud, waste or abuse by PTC employees, vendors, suppliers, contractors and business partners.



8.1 – COMPUTER ACCESS AND USE OF ELECTRONIC MEDIA

Every effort must be made to ensure the confidentiality, integrity and availability of PTC information assets. All electronic communications are the sole property of the PTC. The PTC workforce should be aware that users have no expectation of privacy when using PTC information systems. The PTC reserves the right at any time to examine email, computer records, personal file directories and other information stored on or transmitted over PTC network to ensure compliance with internal policies, to support the performance of internal or external investigations and to assist with the management of information systems.

The use of PTC information systems to operate a personal business, for personal gain in any form, or for other inappropriate use is prohibited. Language and conduct during conversations, instant messaging and email exchanges does reflect on the PTC. As such, a professional manner must be maintained at all times.

Use of the PTC's computer network assets to download, communicate or exchange materials that conflict with the PTC's policies is prohibited (See **PTC Policies 8.1, 8.5 and 8.7**). All PTC employees must sign an Electronic Communications Acceptable Use Policy acknowledging they have read and understand the IT policies and procedures.

SECTION 9: EMPLOYMENT PRACTICES

The PTC is committed to ensuring that equal opportunity exists for all employees in all aspects of employment. (See **Equal Employment Opportunity Policy Letter 2.2.**)

SECTION 10: HEALTH AND SAFETY

All employees are responsible for performing their duties in a safe manner and for keeping themselves updated on all PTC health and safety policies, procedures and directives. (See **Turnpike Safety Responsibility Policy Letter 5.4, Employee Safety Program Policy Letter 5.5 and the Employee Safety Orientation Manual found on the PTC Intranet Traffic and Engineering and Operations Department library.**)

SECTION 11: ALCOHOL AND DRUGS

In order to provide the safest possible environment for our employees, visitors and the public, the PTC makes every effort to promote and maintain a drug and alcohol free workplace. All prospective employees must pass a pre-employment drug test, and all employees are subject to reasonable suspicion drug and alcohol testing on observation and documentation.

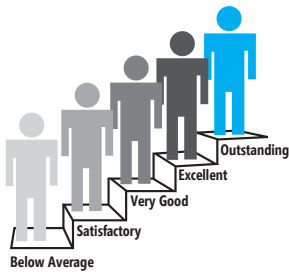
Using alcohol or any other controlled substance while on duty or on PTC property, except for medication(s) prescribed for the employee by a medical professional, is strictly prohibited and will result in the employee's termination. Possession of alcohol or any other controlled substance while on duty or on PTC property, except for medication(s) prescribed for the employee by a medical professional, is, without the express written permission of the employee's supervisor, prohibited and will result in the employee's termination.

Any employee who is arrested or charged with violating any law prohibiting the manufacture, distribution, or use of alcohol or any other controlled substance must notify their supervisor at their first opportunity, and in all circumstances, within five days of the date of being arrested or of charges being filed.

Supervisors must be sensitive to changes in an employee's behavior. If a supervisor observes an unexplained pattern of declining job performance or any other change in an employee's demeanor and suspects alcohol or substance abuse, they should not try to diagnose or counsel the employee. The supervisor should meet privately with the employee and encourage the employee to seek counseling if they have a problem. Employees with a substance abuse or alcohol-related problem are encouraged to seek treatment. Employees should discuss the matter with their supervisor. If an employee feels uncomfortable about discussing the matter with their supervisor, they should contact someone in their chain of command or contact TEAP at 800-571-3221 or visit the PTC Intranet for more information. Employees will not be disciplined for admitting to a problem and enrolling in and successfully completing an approved rehabilitation program. (See **Substance Abuse Policy Letter 3.5**.)

SECTION 12: WORK PERFORMANCE

All employees should be aware of what is expected of them. A detailed listing of duties for each job can be found in the employee's job description. Supervisors should work closely with employees to ensure that employees understand all aspects of their job. Whenever an employee has questions or concerns about their responsibilities, they should talk to their supervisor. Mutual confidence, honesty and understanding between the employee and supervisor will enhance the employee's ability to grow in the job and succeed at the PTC.



All employees who are not members of a Collective Bargaining Unit will receive a performance evaluation approximately six months after they begin working for the PTC and annually thereafter. Supervisors should expect to give, and employees should expect to receive, constructive feedback throughout the year, not just at their annual evaluation. No issue the supervisor raises at the annual evaluation should come as a surprise to the employee.

SECTION 13: AVOIDING CONFLICTS OF INTEREST

A "conflict of interest" occurs when an employee uses the authority of his/her office or employment or any confidential information received through his/her position or employment for the private pecuniary benefit of himself/herself, the employee's immediate family or a business with which the employee or the employee's immediate family is associated. Employees are prohibited from engaging in conduct that constitutes an actual or perceived conflict of interest.

Employees shall refrain from any financial or business dealings that would affect his/her objectivity, impartiality or independence of judgment.

Employees shall not influence or attempt to influence the making of or supervise or in any manner deal with any contract in which he/she has an adverse interest or have an adverse interest in any contract with the PTC.

Employees are not allowed to solicit or accept anything of monetary value, including but not limited to gifts, loans, rewards or a promise of future employment for themselves or any member of their immediate family based on any action they may take or not take by reason of their position or employment with the PTC.

Employees are prohibited from accepting any discount, gift, gratuity, compensation, travel, lodging, hospitality or other thing of value, in excess of the limits set forth in the Public Official and Employees Ethics Act, 65 Pa.C.S. § 1105(b)(6) & (7).

Violations of these rules shall result in appropriate disciplinary action up to and including termination. In addition, depending on the specific facts, an employee may face criminal and civil penalties, including fines and imprisonment.

Known or suspected violations of the PTC Code of Conduct must be reported to the PTC's Chief Compliance Officer (or Chief Counsel if it is believed the violation involves the Compliance Office).

If it comes to the attention of an employee that such payments were sought or made, this should be immediately reported to employee's supervisor and to the PTC's Tip Line (1-888-317-3110) or the Chief Compliance Officer.

SECTION 14: ANTI-CORRUPTION: DEMANDING AND ACCEPTING ADVANTAGES

PTC employees are not permitted to use their jobs to solicit, demand, accept, obtain or be promised advantages. This does not apply to the acceptance of occasional gifts of purely symbolic value or meals or entertainment reasonable in value that are consistent with local customs and practices and the PTC's guidelines as noted in Section 13 "Avoiding Conflicts of Interest." Any other gifts, meals or entertainment must be refused.

It is illegal and not permitted for public officials, at any level of government, to obtain money, property, entertainment, hospitality, gifts or favors from the PTC by the wrongful use of their official position or as a condition to perform certain duties they are normally obligated to perform. If it comes to the attention of an employee that such payments were sought or made, this should be immediately reported to the employee's supervisor and to the PTC's Tip Line (1-888-317-3110) or the Chief Compliance Officer. It is the PTC's objective to conduct business with reputable consultants and business partners who are involved in lawful business activities. **See also the PTC's Code of Conduct Policy Letter 3.10.**

THERE IS
NO RIGHT WAY
TO DO
A WRONG THING.



SECTION 15: PROPER MAINTENANCE OF RECORDS AND FINANCIAL INTEGRITY

Open and effective communication requires accurate and truthful reporting. This applies equally to relationships with employees, customers, vendors, suppliers, contractors and business partners, as well as with the public and all governmental offices. The PTC is also required to maintain sound processes and controls so that transactions are executed according to PTC's policies and directives. The PTC must also prevent and detect unauthorized use of PTC's assets.

All PTC employees are required to make sure that the PTC's books and records they create or are otherwise responsible for are complete, accurate, honestly reflect each transaction or expenditure, and are timely and in accordance with applicable rules and standards.

All transactions of the PTC must be properly recorded and accounted for. This is essential to the integrity of the PTC's governance and financial-reporting obligations. All PTC employees are responsible for ensuring that false, inaccurate or misleading information is not made in the PTC's records and that fair, accurate, timely and understandable disclosure is made in all public communications.

In preparing and maintaining PTC books and records, employees should:

- adhere to all applicable accepted standards, practices, rules, regulations and controls;
- ensure the accurate and timely recording of costs, tolls, shipments, time sheets, vouchers, bills, payroll and benefit records, regulatory data, expense reports and other financial transactions are in the proper accounts;
- record all funds, assets and transactions and not establish any undisclosed or unrecorded fund or assets for any purpose;
- keep and retain books and records which reflect fairly, accurately and thoroughly detail the PTC's transactions, acquisition and disposal of assets and other relevant activities (see **Records Management Policy Letter 8.6**);
- sign only those documents that are accurate and truthful; and
- restrict access to sensitive or confidential information (such as financial records, materials that are protected by the attorney-client privilege and work product doctrine, E-ZPass account holder information and other customer information) to ensure the information is not accidentally or intentionally disclosed, modified, misused or destroyed, other than in accordance with the law and PTC's document retention policies.





STRATEGIC PLAN

MISSION

To operate a safe, reliable, customer-valued toll road system that supports national mobility and commerce.

VISION

In serving our customers, we will reaffirm ourselves as the world's finest superhighway by:

- Fulfilling our public responsibility to provide a safe, sustainable, uninterrupted travel experience
- Becoming an industry leader, a valued business partner and a trusted employer

VALUES

COMMUNICATION

We strive to foster continuous communication with our employees, customers, legislators, stakeholders and business partners.

CUSTOMER SERVICE

We maintain the highest level of quality service with a focus on safety, dependability and mobility.

DIVERSITY

We provide equal opportunity for all employees and business partners.

INNOVATION

We foster a visionary atmosphere to maintain our role as an industry leader.

INTEGRITY

We conduct ourselves transparently, responsibly, ethically and honestly to earn the public's trust every day.

PROFESSIONALISM

We create a work environment where employees are empowered to take ownership of their work and provide excellence in public service.

SAFETY

We care deeply about the safety of our employees, customers and business partners.

STEWARDSHIP

We respect current and future generations by using cost-effective strategies that meet today's challenges while safeguarding our resources, our finances and our environment for tomorrow.

TEAMWORK

We promote respect and collaboration among all team members to ensure effective and efficient quality service for our customers.

Business Conduct Guidelines



PA Turnpike Commission
COMPLIANCE DEPARTMENT
P.O. Box 67676
Harrisburg, PA 17676
(717) 831.7422
www.paturnpike.com