

# PARSONS CORPORATION

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## BUSINESS ETHICS CODE

OCTOBER 2004

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## I. INTRODUCTION

Parsons Corporation's Business Ethics Code (the "Code") establishes a standard of business ethics and conduct for the employees, agents, and directors (collectively "employee(s)") of Parsons Corporation and its subsidiaries ("Parsons" or the "Company"). This Code has been approved by the Board of Directors of Parsons and is administered through the Ethics Committee.

Parsons' reputation is an important corporate asset. One purpose of this Code is to protect and secure that asset. It is inevitable that employees encounter questions of business ethics and conduct in the course of their employment, engagement, and duties to the Company. The way employees decide these issues should be consistent with the Code. The Code represents Parsons' desire to communicate a standard that not only meets, but exceeds, the requirements of the law and industry practice, and presents a way to resolve these issues.

## II. BASIC ETHICS AND PROCEDURE

### A. Employee Responsibility

#### 1. Prevention

It is a *condition of employment, engagement or assignment* for employees to comply with: the laws of the United States of America and state and local governments; the laws of foreign countries where business is conducted, except when in conflict with U.S. laws; Parsons' standards of business ethics and conduct; and applicable policies and procedures of Parsons.

While the Code provides information on many standards of ethics and business conduct, it is not exhaustive. When in doubt, you have the responsibility to seek clarification. Information on where to go for help is described at the end of the Code.

#### 2. Violation and enforcement

Violations of the law and Parsons' ethical standards are grounds for corrective action up to and including termination, possible legal prosecution, or other appropriate action. It is never within the scope of employment or activities on behalf of the Company, for an employee to violate the law or the Code.

#### 3. Reporting violations

All employees benefit from an atmosphere of good ethical conduct. Employees who suspect misconduct, illegal activities, fraud, abuse of corporate assets, or violations of the standards of the Code or Company policy, are responsible for reporting such matters. Several methods to report such violations are described in [Section V., WHERE TO GO FOR HELP](#). Retaliation against any employee for making a good faith report, is not permitted, and every effort will be made to protect the identity of the reporting employee.

#### 4. General ethical considerations

Parsons expects its employees to be:

- Law abiding
- Honest and trustworthy
- Dedicated and loyal to the Company
- Truthful and accurate
- Responsible and reliable
- Economical in utilizing Company and client resources
- Diligent in discharging job responsibilities
- Respectful of the rights of others

### B. Management Responsibility

Parsons is responsible for distributing the Code or providing corporate-wide access to the Code, in order to make certain that all employees are aware of its content. Managers must commit to ensuring that their departments are operating in accordance with the Code and create an ethical environment. Communication on ethical issues should be encouraged.

### **C. Ethics Committee**

The Board of Directors established the Ethics Committee composed of Parsons' Vice President of Human Resources, Manager of Internal Audit, and the Assistant General Counsel to oversee ethics compliance along with the Board itself. Parsons' Vice President of Human Resources serves as the Ethics Committee Chairman. The Ethics Committee is also charged with implementing education and training of employees on ethics. Both the Ethics Committee and Internal Audit report periodically to the Board of Directors on ethics issues. Ethics Officers are assigned to each GBU, international regions, and the corporation, and may be contacted by employees at any time regarding ethics issues. See [Section V., WHERE TO GO FOR HELP.](#)

### **D. No Retaliation**

No retaliation may be taken against any employee who raises an issue or reports a suspected violation of law, regulation, contracts, or the Code. Any act of retaliation will be considered a violation of the Code itself and can be a violation of the law. The Company will take disciplinary or other appropriate action, against a supervisor or employee who initiates or participates in any act of retaliation.

## **III. SPECIFIC STANDARDS**

### **A. Accurate Records**

Employees are required to record and report information accurately and honestly. This includes time worked, job charges, business expenses incurred, revenues and costs, job-related data, and other business-related activities. Corporate records are subject to audit, and financial records should be maintained in accordance with generally accepted accounting principles. No undisclosed or unrecorded corporate accounts or unauthorized bank accounts shall be established for any purpose.

Reporting, organizing, or destroying information in an attempt to mislead or misinform is prohibited. No entry shall be made or purposely omitted on any records or data that intentionally hides or disguises the true nature of the transaction, project, plan or other business information, nor shall any data regarding Company business or services be falsified or distorted in any way.

### **B. Confidential and Proprietary Information**

Employees of Parsons must preserve all tangible and intangible assets including confidential and proprietary information belonging to Parsons, its subsidiaries, affiliates, clients, and agents (including, but not limited to, contractors, subcontractors, representatives, counsel and consultants).

Except as required by your employment, confidential and proprietary information may not be disclosed or released unless written authorization is given to you by Parsons, after review by the Legal Department. Employees should make certain within the scope of their responsibilities that information is properly stored and protected on a need-to-know basis, thereby preventing unauthorized access, use or removal.

Confidential and proprietary information obtained as a consequence of your employment may not be used for your personal profit or that of anyone else as a result of association with you. Use for personal profit can include taking advantage of such information by (a) trading, or providing information for others to trade, in securities of any company, or (b) acquiring a property interest of any kind, or (c) receiving compensation of any kind for communicating such information to any other person.

Upon termination of employment for any reason, you may not copy or retain any documents or data stored in any form containing Parsons' confidential or proprietary information. The rule against disclosing confidential and proprietary information extends beyond your employment.

### **C. Copyright**

A copyright gives the owner of an original work (such as a magazine article, photo, design, or software program - see Section III.D.) the right to copy, display, and distribute that work, prepare derivative works, as well as keep others from doing so without permission. You may not copy and/or distribute reproductions of copyrighted materials from publications, works, or software which you receive through Parsons, including copyrighted materials from clients, or the Internet, beyond the scope of Parsons' subscription or express permission from the copyright owner. Violation of copyright laws can result in substantial penalties. Additionally, works produced on the job or based on information you

received at Parsons are known under the law as “works made for hire.” These documents, programs, articles, designs, and others, in whatever form, are the property of Parsons and cannot be reproduced, distributed, displayed or published without Parsons’ approval, and may be subject to Parsons’ assertion of ownership rights.

#### **D. Software Use**

Software used at Parsons is generally created and copyrighted by other companies and is subject to restrictions, pursuant to software licensing agreements. Reproducing or distributing software without authorization may violate these license agreements and Copyright laws. Therefore, no Company employee shall make copies of software (except for back-up purposes), or resell, distribute, or transfer software created by another company or individual unless permitted to do so by the software license. Copyright laws also prohibit individuals from making copies of programs they use at work for their own personal use.

#### **E. Electronic Communications**

Electronic communication is the creation, purposeful receipt, storage, display, solicitation, transmission, or downloading of any message, information, or material in any commonly accepted electronic form including, but not limited to, e-mail, voice mail, fax, Internet/intranet/extranet systems, telephone, video transmissions, and file transfers.

The purpose of Parsons’ electronic communications networks is to:

- Facilitate transmission of business communications within the Company and third parties who are in a business relationship with the Company.
- Provide access to information of value to the Company and in support of employees’ professional development.
- Make the Company and its products and services known to others.

Electronic systems and communications are and remain Parsons property. Parsons reserves the right to retrieve, read, review, audit, access, disclose, or print any message when Company interests are concerned.

Employees using electronic communications shall comply with the *Parsons Corporation Business Ethics Code* and applicable U.S. and foreign laws, such as:

- Laws relating to the transmission of trade secrets and proprietary information
- Laws relating to the export of technology, especially encryption technology
- Copyright and trademark laws
- Discrimination statutes
- Obscenity laws
- Laws relating to the transfer of personal data, such as privacy laws

While it may not be possible to identify every legal and ethical standard applicable to the use of electronic communications systems, Parsons expressly prohibits:

- (1) Use of communications systems to create, purposely receive, store, display, solicit, transmit, or download any message or information that is either harassing or offensive on the basis of sex, race, religion, national origin, physical disability, mental disability, color, age or sexual orientation. This includes, for example, pornographic, obscene, or sexually offensive material or information (including suggestive screen savers), and “hate” material, threats, or intimidation in violation of the Company’s policy against harassment and discrimination.
- (2) Use of communications systems to transmit annoying, offensive, defamatory, or derogatory messages or information. Additionally, making any unauthorized statement (whether online or otherwise) about the Company, employees of the Company, the Company’s position on any issue, a competitor, or any other organization is prohibited.
- (3) Use of communications systems in a manner that infringes or violates any trademark, copyright, or proprietary rights of any other person, entity or organization.
- (4) Theft or unauthorized use or transmission of any trade secret, or proprietary or confidential information of Parsons, other persons, entities, or organizations.

(5) Use of any electronic communications device for any purpose that competes with the interests of the Company, either directly or indirectly, or for any purpose that creates an actual, potential or apparent conflict of interest, or a commercial use that is not for the direct and immediate benefit of the Company.

(6) Use of communications systems to participate or engage in, directly or indirectly, any gambling activities or games of chance or risk.

(7) Specific to e-mail and voice mail: reading, recording, copying, distributing, or listening to messages and information delivered to another person's e-mail or voice mail without proper authorization; sending electronic "junk mail," defamatory messages, or messages outside the bounds of normal business protocol or etiquette, chain letters, hoaxes, and advertising solicitations.

**NOTE:** Users must properly identify attorney-client privileged and confidential information. (Consult with the Legal Department).

(8) Unauthorized access to another person's or entity's mail, files, passwords, or other electronic information/data, or unauthorized disclosure of electronically stored information and data, passwords, log-on identification information or codes of any type. (Employees should use discretion and be aware of security measures. They should refrain from sharing or divulging files, messages, and/or passwords.)

(9) Specifically regarding the Internet, employees are prohibited from:

- Accessing chat rooms (sites dedicated to online communications with others) for non-business related discussions.
- Accessing non-business related Web sites to an excessive or unreasonable extent, whether during or after working hours. Examples include, but are not limited to, excessive use which detracts from the ability to perform the work at hand; creation of unnecessary congestion in data or voice transmission; downloading large numbers of files from any external source; sending or receiving files that jeopardizes network or data security; or any other interruption to or distraction from Parsons' business activities.

**NOTE:** Internet use is logged and audited by Parsons IS for unauthorized attempts at access (hackers), invalid access logs, invalid password attempts, application (proxy) usage, and other purposes.

Requests to access non-business related Web sites should be directed to the e-mail address: Parsons, Internet Access.

All employees are responsible for understanding and ensuring that the guidelines regarding electronic communications are followed as outlined above. Direct all inquiries and clarifications, and report any violations, to your Human Resources representative.

## **F. Conflicts of Interest**

Employees of Parsons should make all business decisions in good faith and in Parsons' best interests. A conflict of interest exists when an employee's private interests conflict with job-related responsibilities. The Code is intended to provide general guidance to employees to avoid actual or apparent conflicts of interest. If you have any questions, consult your manager. If this is not possible, or you have further questions or want to report violations, you should follow the procedures described in [Section V., WHERE TO GO FOR HELP](#). For example, if you intend to engage in activities that may be a conflict, consult an Ethics Officer, so that a conflicts determination can be made and documented. This is for your benefit and the Company's.

The following are examples of areas where conflicts of interest can easily arise, and should provide a "red flag" to you and other parties to avoid engaging in such conduct:

(1) Any ownership interest acquired by you or a close relative (other than nominal amounts of stock in publicly traded companies) in any business, including a supplier, contractor, client, competitor, or other business associate of Parsons which does or wishes to do business with Parsons, or competes or may compete with Parsons. However, obtaining even nominal ownership subsequent to receiving "inside information" while working for Parsons is prohibited. "Inside information" is non-public business or financial information that you learn by virtue of your employment at Parsons. An employee may not use or communicate inside information to others.

(2) A proposed business relationship in the course of your employment at Parsons with any organization in which you or a member of your family has a financial interest.

- (3) Any consulting or employment relationship with a supplier, contractor, subcontractor, client, competitor, or other agent or business associate of Parsons, including service on the board of directors of that business.
- (4) Any outside business activity that competes with any part of the Company's business.
- (5) The receipt of expensive gifts, or lavish entertainment, or kickbacks, from any company or person with which Parsons has business dealings.
- (6) Any outside activity of any type which is so substantial as to call into question your ability to devote appropriate time and attention to your job at Parsons.
- (7) Performing personal activities or personal business on the job, except *de minimis* activities, which are non-routine and do not infringe upon your job responsibilities.
- (8) Taking advantage of any opportunity that arises or information which you learned in the course of your employment with the Company, such as acquiring property or leases, which Parsons might want to purchase or lease.
- (9) Selling anything to the Company or buying anything from the Company except through regular programs and procedures offered to all employees.

## **G. Gifts, Entertainment, Gratuities, and Bribes**

Parsons employees are prohibited from offering to, or accepting gifts of substantial value from, an organization that does business or seeks to do business with Parsons or competes or seeks to compete with Parsons.

### **1. Offering gifts, entertainment, and gratuities**

Parsons' reputation is based on exceptional service to its clients at a competitive price. Therefore, the solicitation of improper advantage in a business relationship by offering anything of substantial value, including gifts, entertainment, drinks, meals, transportation, lodging, or other business courtesies, is unacceptable. Apart from additional restrictions that apply to government employees, employees may only provide or pay for reasonable entertainment, drinks, and meals and give gifts or promotional items such as pens and calendars of modest value to clients, contractors, and other business associates. Such courtesies and gifts must also be lawful, performed or given only occasionally, and unsolicited by the recipient. If you have any questions, consult your manager. If this is not possible, or you have further questions or want to report violations, you should follow the procedures described in [Section V., WHERE TO GO FOR HELP](#).

### **2. Accepting gifts, entertainment, or gratuities**

Employees shall not accept directly or indirectly anything of substantial value where receipt could or might appear to influence a business decision with regard to any person or entity. Apart from additional restrictions that apply in the governmental area, you may only accept meals, drinks, or entertainment of reasonable monetary value and gifts or promotional items, such as pens and calendars, of modest value. Your acceptance of meals, drinks, or entertainment must also be directly connected with business discussions. Such courtesies or gifts must also be lawful, unsolicited, and infrequently provided in accordance with customary business practices and not appear to influence your business decisions. Do not accept reimbursement for lodging or free lodging or travel expenses without the express approval of your manager. Again, if you have any questions, consult your manager. If this is not possible, or you have further questions or want to report violations, you should follow the procedures described in [Section V., WHERE TO GO FOR HELP](#).

### **3. Foreign customs**

In countries where local customs call for giving gifts to, or receiving gifts from, business associates, you may, with prior approval from your manager, present gifts or receive gifts, provided the action cannot be construed as seeking special favor. If you have any questions, consult your manager. If this is not possible, or you have further questions or want to report violations, you should follow the procedures described in [Section V., WHERE TO GO FOR HELP](#). Special considerations are involved in giving gifts to business associates in foreign countries under the provisions of the Foreign Corrupt Practices Act (see Section III.J.2. herein).

#### **4. Bribes**

Bribery includes any direct or indirect payments to a client, supplier, contractor, subcontractor, or business associate (including any representative, agent, or employee of such party) with the specific intent to induce or influence the person or the client to act in a specific way. Bribery is prohibited under the Code. Bribery of government officials is a criminal offense.

#### **H. Government Contracts**

Parsons' customers include national, state, and local governments and therefore it is necessary to comply with all statutes, regulations, rules, and ordinances that apply to these transactions. Compliance generally falls into five main categories:

##### **1. Accuracy and compliance**

The government has special rules on accounting for costs, proposal and bidding procedures, pricing, and time charging. Furthermore, the Company may be required to certify accuracy as to cost or pricing data, and compliance with specifications, quality control, and testing requirements for government projects. These rules may apply whether the Company is performing as a prime contractor or a subcontractor. Employees involved in the negotiation of any government prime or subcontract shall ensure that all statements, communications, and representations to the customer representatives are accurate and truthful.

##### **2. Bribes, gifts, gratuities, and kickbacks**

Bribery of government officials, kickbacks, and illegal gratuities are a violation of the Code and are prohibited by the law. No employee may offer or give any federal, state or local government employee or official, either directly or indirectly, entertainment or gratuities, or even transportation or meals at business meetings if such employees are prohibited from receiving them by applicable laws and regulations. Bribery entails giving something of value to a government employee with the specific intent to influence an official act. The gratuity provisions of federal law, for example, can be violated when something of value is given to a federal employee without payment of fair market value.

Federal laws also prohibit the offering, soliciting, or accepting of any kickback, as well as the inclusion of a kickback of any amount in a contract with the United States government. A kickback is defined as any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind that is provided for the purpose of improperly obtaining or rewarding favorable treatment in connection with the award of a contract with the United States government. Additionally, the "Anti-Kickback Act of 1986" requires each prime contractor or subcontractor to report promptly a violation of the kickback laws to the appropriate inspector general or the Department of Justice if the contractor has reasonable grounds to believe that a violation exists.

It is also a violation of federal law to pay any commission or fee to any person to solicit or obtain a government contract, other than a Parsons' employee or commercial agent.

Any employee who has questions about providing a gift or anything of value to a government employee should contact the Assistant General Counsel. Also, before entering into any arrangement with any person to solicit or obtain a government contract, an employee should contact the Assistant General Counsel.

##### **3. National Security and Classified Information**

In the course of our work, it is sometimes necessary for employees to have access to, generate, or store information classified for national security purposes. Only employees with the proper security clearance are permitted to have access to such data. Employees are required to take appropriate steps to safeguard classified information and to ensure that it not be improperly released. This includes specially marking classified data and storing it in secured cabinets, computers, and facilities. It is the responsibility of every officer, manager, or other employee who works with classified information to become informed regarding applicable government security requirements and to cooperate with managers and government representatives in meeting the applicable security requirements. Any suspected breach of national security regulations must be reported immediately to the responsible manager administering corporate security functions.

#### **4. Procurement Integrity – Procurement-Sensitive and Confidential Data**

No employee shall accept or attempt to obtain, either directly or indirectly, government information or documents that are procurement sensitive, a competitor's proprietary or confidential data, or information regarding a competitor's bid or proposal if there is any reason to believe that the release of such information is unauthorized.

#### **5. Employing Present or Former Government Employees**

Special restrictions apply to recruiting present and former government personnel and retaining them as employees or consultants. Prior to entering into employment discussions with any individual employed by the government as either an employee or a consultant within the last three years, an employee should obtain the approval of the responsible GBU Director of Human Resources.

##### **I. Antitrust**

The global activities of Parsons are subject to the antitrust laws of the United States and other countries. These laws generally prohibit agreements or actions in restraint of trade or competition. Examples include agreements among competitors to fix or control prices, boycotts of targeted suppliers or clients, and allocation of territories or markets between competitors. Special care must be taken to comply with all applicable antitrust laws.

##### **J. Doing Business Internationally**

###### **1. Foreign boycotts**

United States law prohibits Parsons from complying with or supporting a foreign country's boycott of another country unless the United States sanctions such a boycott. In addition, Parsons is required to report promptly to the United States government any boycott-related requests. Such requests may take the form of a bid invitation, contract, letter of credit, or oral request in connection with a transaction from a foreign country. An employee who receives or learns of a boycott or boycott-related information request should report it immediately to his/her manager. Resolution of foreign boycott issues will be undertaken by the Legal Department of Parsons. Employees who are involved in international transactions must become familiar with U.S. anti-boycott laws and observe all their requirements.

###### **2. Illegal payments and the Foreign Corrupt Practices Act (FCPA)**

It is unlawful for a U.S. company/and its employees, wherever located in the world, or its foreign subsidiaries, to give, promise, or authorize a payment in cash or in kind or any service, to foreign officials (including executives of state-owned companies), foreign political candidates, foreign political parties, or officials of public international organizations, for the purpose of acquiring or maintaining business or securing an improper advantage. The FCPA prohibitions also apply to payments or offers of anything of value to intermediaries, agents, or sales representatives, or any "person" in fact, if the employee knows, or is aware, of circumstances that would alert a reasonable person to the high probability that the third party will use money or any other thing of value received from the U.S. company (or its subsidiaries) to make an illegal payment or gift to a foreign official.

The FCPA is a complex law under which a U.S. company can be held liable even if its own employees did not directly make the improper payment and even if the U.S. company did not have actual knowledge that a third party was making an improper payment on its behalf. Parsons may violate this law by making improper payments or gifts through third parties working with Parsons on a project. Furthermore, Parsons can be held liable even if it has not actual knowledge of the improper payment or gift, if it is aware of a high probability of such circumstances or has reasons to believe that such a circumstance is likely to occur.

Contact an Ethics Officer if you have any questions or want to report a violation. FCPA issues will be resolved by the Legal Department.

You may also consult Parsons' policy on the FCPA on the PWEB.

Penalties for individuals violating the FCPA include fines up to \$100,000 and/or imprisonment for up to five years. Business entities can be fined up to \$2 million.

##### **K. Political Contributions and Activities, and Political Action Committees**

Parsons encourages active participation by all employees in the political process. However, federal law limits the use of corporate funds and resources in federal elections, except as described below, and state law may also carry restrictions. Therefore, all proposals or requests by employees, business unit offices or projects to use corporate funds or corporate

assets, such as telephones, computers, stationary, copying, employee time, office facilities, refreshments, or the like (called "In Kind" contributions), in support of or for contributions to political candidates and parties, ballot measures and initiatives, and political causes and campaigns, must be submitted in writing to the Company's Government Relations Department and to the General Counsel for prior review and approval.

In accordance with federal law, Parsons sponsors the formation of authorized Political Action Committees (PACs) for political contributions. For example, Parsons Corporation's Political Action Committee (PARPAC) is a volunteer, nonpartisan group that supports selected candidates and political party committees, and communicates with government officials on legislative and regulatory agendas of interest to Parsons. PARPAC raises funds for distribution to candidates who generally agree with Parsons on issues of importance to Parsons and its employees. Other political action committees may be formed by subsidiary companies for this same purpose.

Employees may donate personal time and resources for political purposes, but it is against Company policy and in certain locations, illegal for employees to use their time at work, or company property, facilities, resources or assets for political activities and purposes.

No direct or indirect pressure in any form is to be put on employees to make any political contributions or participate in the support of a political party or the candidacy of any individual.

In the case of political contributions outside of the United States, no political contribution or expenditure shall be made if local law or ethical standards prohibit such contributions. All contributions must have the prior approval of the Legal Department.

## **L. Employment Practices**

### **1. Equal Employment Opportunity**

It is the continuing policy of Parsons to afford equal employment opportunity to qualified individuals regardless of their race, color, religion, sex, sexual orientation, national origin, age, physical or mental disability, or status as disabled veterans, or veterans of the Vietnam Era, and to conform to all federal, state, and local laws on equal employment opportunity.

Parsons' policy of equal employment opportunity covers all aspects of the employment relationship, including application and initial employment, promotion and transfer, selection for training opportunities, wage and salary administration, and the application of retirement and employee benefit plan policies.

### **2. Harassment**

It is the policy of Parsons to provide employees a work environment free from any form of unlawful harassment, including harassment based on sex, race, religion, national origin, disability, color, age, sexual orientation, or any other characteristic protected by law. Furthermore, Parsons prohibits harassment in any form whether verbal, visual or physical (such as threats, stalking, or intimidation, e-mail messages or other communication). Any employee who commits such a violation may be subject to personal liability as well as discipline by the Company. As defined by law, sexual harassment includes, but is not limited to, unwelcome sexual advances, requests for sexual favors, and other verbal, visual, or physical conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such an individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment. Besides corrective action and sanctions against violators up to and including discharge, violators may also be subject to civil and even criminal penalties. Harassment may be in the form of verbal harassment, including derogatory comments and epithets; physical harassment such as assault, impeding or blocking movement; visual harassment, such as derogatory posters, cartoons, or drawings; and unwanted sexual advances that condition an employment benefit on the exchange of a sexual favor.

## **M. Government Investigations/Legal Matters**

It is the policy of Parsons to cooperate with governmental authorities in conducting investigations of Parsons or other companies, or in gathering information to decide whether or not to conduct such an investigation. All such matters must be properly coordinated within the Company and managed in an orderly manner. The General Counsel of Parsons should be notified of any investigation in which the Company becomes or might become involved. Therefore, any employee who receives a request for information, subpoena, or other legal document regarding Company business from any governmental

agency should notify the General Counsel immediately. An “investigation” is a non-routine inquiry of the Company or its employees, regarding a possible violation of the law by Parsons, an employee, or any other company or person. It does not mean routine government audits, compliance reviews, or personal legal matters.

The General Counsel also should be consulted immediately if any communications are received from lawyers for private parties who may have a dispute with Parsons. If you have a question, you should contact the Legal Department.

You should send the General Counsel any unfamiliar documents you receive that appear to have legal significance to Parsons.

#### **N. Audits and Investigations**

The Company’s Internal Audit Department is given the responsibility to analyze actual compliance with Company policies and the Code as a service to management and the Board. Employees are required to cooperate with internal auditors with openness and honesty, without misleading auditors, manipulating the facts, destroying or deleting relevant information, or attempting to apply improper influence on auditors.

#### **O. Controlled Substances and Intoxicants**

The use, possession, manufacture, sale, or distribution of any controlled substances, or intoxicants on Company property is prohibited. Employees are also prohibited from reporting to work under the influence of either controlled substances or intoxicants.

#### **P. Searches**

Company policy allows the use of any lawful method of investigation that the Company deems necessary to determine whether any person has engaged in any conduct that interferes with or adversely affects its business. Such conduct includes, but is not limited to, the theft of any Company property, including proprietary information, or the property of any employee or visitor. It also includes suspicion of possession of drugs, alcohol, firearms, or anything else the possession of which on Company property is prohibited or restricted. All Company employees are expected to participate in the Company’s reasonable security efforts. Failure to do so may result in corrective action, including dismissal.

#### **Q. Media Relations**

The Company will be responsive to the news media in a manner consistent with corporate policies, legal rights and responsibilities, and ethical standards. Media relations are the responsibility of the Corporate Relations Department, and all contacts with the media, statements or responses to the media, shall be handled through that Department. Any employee contacted by the media, or asked for a statement or response by any member of the media must direct the inquirer to the Corporate Relations Department.

### **IV. CORRECTIVE ACTION AND SANCTIONS**

The standards contained in the Code are important to Parsons and intended to be taken seriously by every employee. Violations will result in appropriate corrective action or other response. In some cases the Company may even have a legal or ethical obligation to call violations of the Code to the attention of governmental or law enforcement agencies.

When notified of a violation, the Ethics Committee or the Legal Department will undertake or delegate an investigation.

Corrective action may include, but is not limited to, the following:

- A warning
- A written reprimand
- Probation
- Demotion
- Temporary suspension, without pay
- Transfer or reduction in work schedule
- Termination

- Reimbursement of losses and damages
- Referral for criminal prosecution or civil action.

Your compliance with the Code includes cooperation with all phases of enforcement, including any in-house or governmental investigation of violations. Employees are required to make full disclosure of all relevant information concerning a violation of the Code, as well as retain relevant information.

The employment relationship between you and Parsons is based on mutual consent. Either you or Parsons can terminate the employment relationship at will, with or without cause or advance notice, at any time.

## **V. WHERE TO GO FOR HELP**

Employees may resolve legal and ethical questions and report legal and ethical violations they experience on the job in a variety of ways. If you have any questions about an ethical or legal issue or want to know what procedure to pursue if there is a violation, the following channels are available to you:

- (1) You may contact the next level of supervision in your department or location.
- (2) You may contact the Ethics Officer for your GBU, or you may contact the Ethics Officer at Parsons' headquarters in Pasadena, California. Contact may be made under your own name or anonymously in any of the following ways:
  - (a) Call the Ethics Officer by telephone
  - (b) Call the Ethics Helpline
  - (c) Send the Ethics Officer an e-mail message
  - (d) Write to the Ethics Officer at:

100 West Walnut Street  
Pasadena, CA 91124

- (3) For questions regarding contracts, antitrust violations, or anything of a legal nature, you may contact the Assistant General Counsel, unless otherwise instructed in the Code.
- (4) For matters involving the Department of Defense, you may report suspected violations directly to appropriate government officials using the Department of Defense Hotline: 800-424-9098.

You should present your inquiry clearly and state the time by which you need a response. Also, you should give facts of a suspected violation with as many details as possible.

If your situation requires that your identity be kept secret, we will protect your anonymity, unless required by law to disclose it. However, in some circumstances violations may only be successfully investigated and ethical or legal standards enforced if all parties cooperate in the investigation. Therefore, for the successful completion of an investigation, you may have to agree to release your identity to the parties involved.

The Company also provides Questions and Answers on the Code at the Ethics Homepage on PWEB.

## **VI. DEFINITIONS**

- (1) An "affiliate" of, or a person or entity "affiliated" with, a specified person or entity, is a person or entity that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with the person or entity specified.
- (2) An "agent" may include, but is not limited to, a business development consultant, sales representative, local sponsor, broker, subcontractor, prime contractor, joint venture partner, teaming member, associate, counselor, adviser, lobbyist, lawyer, financial or tax consultant, or public relations consultant. The determinative factor as to whether a person is an "agent" for purposes of definition herein, is whether he or she provides business development services on behalf of the Company on a contractual basis for compensation.
- (3) "Business associate" includes any person or entity that is or has been a part of a business transaction involving Parsons.
- (4) "Confidential and proprietary information" extends to any form of nonpublic business, including marketing and service plans and strategies, engineering and technological information, data relating to proposals, plans, specifications, documents,

technology, know-how, methods, processes, products, projects, operations, designs, internal data bases, personnel records, salary information, unpublished financial projections, data and reports, client lists, and all employee “work-product” i.e., anything generated by you in the course of your employment. “Proprietary information” specifically includes intellectual property, such as patents, trademarks, and copyrights.

(5) “Director” means any director of Parsons Corporation and its subsidiaries.

(6) A “subsidiary” is a company directly controlled by Parsons or indirectly controlled by Parsons through another Parsons subsidiary.

