

Financial Conflict of Interest Policy

Conflict Of Interest

ETS Employees must conduct themselves such that an actual conflict of interest or the appearance of a conflict of interest does not occur. A conflict of interest exists or may exist when the private interests of an ETS Employee are at variance with the official interests of ETS. Such a conflict may develop either on or off the job and is not limited to Employees in a particular salary grade or position. Given the range of circumstances under which a conflict or potential conflict of interest could develop, it is impossible to list all the conceivable activities that might present this problem. The key concept is that all Employees should evaluate their behavior -- on and off the job -- and its effect on ETS in a manner that will ensure their ethics, objectivity, and professionalism are beyond reproach.

Outside Financial Involvement

Employees who have financial or personal interest in an organization that may do business with or compete against ETS must consider the nature of such financial or personal interest in accordance with the procedures of this Policy.

The guiding principle concerning financial involvement with other organizations is that ETS Employees may not own stock or have other financial interests in an outside concern that could influence adversely, or appear to influence adversely, the Employee's actions in meeting responsibilities to ETS. For example, an individual in a purchasing function may not hold an interest in any company from which ETS makes purchases if this interest could influence purchasing decisions or appear to do so. Employees who are uncertain whether an outside financial involvement comes within the scope of the Policy should discuss the matter with their supervisors.

Reports of Suspected Violations

Any Employee who acquires information that gives the Employee reason to believe that any Employee, Officer or Trustee is engaged in conduct prohibited by this Policy, or that any sales representative, distributor or other person or firm representing ETS in any transaction is engaged in the type of conduct (whether or not in connection with a transaction involving ETS or its products) which, if engaged in by an Employee, would violate this Policy, must promptly report such information to either the Employee's supervisor, the Vice President of Strategic Workforce Solutions, the General Counsel, or to the ETS Ethics Hotline [866-ETS-LINE. Si Usted habla espanol, favor llamar 800-297-8592].

If the conduct believed to violate this policy is thought to involve the Vice President of Strategic Workforce Solutions, ETS's General Counsel and/or President and Chief Executive Officer, the ETS Board of Trustees' Audit Committee must be informed as soon as practicable, and the investigation into the reported conduct shall be made under the direction and control of the Audit Committee, for that Committee's report of the results of that investigation, together with any recommendations for personnel action, to the full Board of Trustees.

All complaints will be investigated promptly and, where necessary, immediate and appropriate action will be taken to stop and remedy any such conduct. Any Employee or Officer found in violation of this Policy will be subject to disciplinary action, up to and including termination, depending upon the severity of the violation.

Reports of suspected violations of this policy may be made without fear of retaliation and, to the extent practicable, will be kept in strict confidence. Anyone engaged in retaliation, or the appearance of retaliation, will be subject to discipline up to and including termination of employment.

Retaliation against anyone who makes a report and/or complaint under this policy is prohibited. Retaliation is a very serious violation of this policy, and should be reported immediately. The reporting

and investigation of allegations of retaliation will follow the procedures outlined in this policy. Any person found to have retaliated against an individual for reporting unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

Similarly, any employee who files a false complaint under this policy and/or who maliciously and falsely accuses another employee under this policy will be subject to prompt and appropriate disciplinary action, up to and including termination of employment.

Failure to adhere to the standards set forth above will subject the Employee to the disciplinary process, if appropriate, up to and including termination.