



**1. INTRODUCTION**

At the core of Allied Motion Technologies Inc. and its subsidiaries (Allied Motion) are the principles of integrity, honesty, fairness and respect for people. The trust and confidence of those with whom we deal, as well as the communities in which we operate, is a critical asset to the continued growth and success of Allied Motion.

**2. POLICY**

Allied Motion’s Code of Ethics and Business Conduct (the “Code”) requires the directors, officers and employees of Allied Motion to conduct the operations of the Company ethically and responsibly and to observe and comply with the laws and regulations of those countries in which we operate.

**3. REPORTING RESPONSIBILITY**

It is the responsibility of all directors, officers and employees to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy.

**4. COMPLIANCE OFFICER**

The In-House Counsel of Allied Motion is the Company’s Compliance Officer on Whistleblower matters and is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and shall advise the Audit Committee of the Board of Directors. The Compliance Officer has direct access to the Audit Committee of the Board of Directors and is required to report to the Audit Committee at least annually on compliance activity.

**5. REPORTING VIOLATIONS**

- The Code addresses Allied Motion’s transparent environment and provides that individuals address their questions, concerns, suggestions or complaints with the relevant supervisor, senior managers, or executive management. In most cases, an individual's supervisor is in the best position to address an area of concern.
- In the event that the individual reporting is not comfortable speaking with his or her supervisor or is not satisfied with the supervisor's response, the individual is encouraged to contact the Whistleblower hotline which may be done online at [www.ethicspoint.com](http://www.ethicspoint.com) or telephonically using the following toll-free number:

EthicsPoint: 1-855-405-6559

- Both the Compliance Officer and the Chairman of the Audit Committee shall have access to the third-party Whistleblower reporting online system so as to enable both to (i) concurrently receive any reports that are filed through the system; and (ii) monitor and update the status of any reports within the system.
- Allied Motion encourages individuals who submit reports to identify themselves, with the assurance that all matters will be handled confidentially, to the extent consistent

with the Corporation's interests and legal obligations. Reports, however, may be made anonymously and in such circumstances the Corporation will not try to discern the identity of the person who made the report.

- Matters to be reported under this policy include, without limitation:
  - i. Financial fraud, including bank fraud, or fraudulent statements made to any governmental entity;
  - ii. Intentional or grossly negligent misstatements, misrepresentations, falsifications, deception, or fraud in preparing, reviewing or auditing any financial statement or report of the Corporation;
  - iii. Significant deficiencies in or intentional noncompliance with the Corporation's internal accounting controls;
  - iv. Theft of Corporation assets or embezzlement;
  - v. Violations of applicable laws, rules and regulations;
  - vi. Violations of Allied Motion's ethical standards and any corporate policy adopted by the Corporation or its Board of Directors, including, but not limited to, this policy and the Code;
  - vii. Violations of the civil rights of any employee, member, director, officer, trustee, volunteer, member or visitor to the Corporation; and
  - viii. Retaliation against individuals who submit reports or voice concerns about any of the above in good faith.

## **6. NO RETALIATION**

No director, officer or employee who in good faith reports an actual or suspected violation of the Code or this Policy shall suffer harassment, retaliation or adverse employment consequence. Anyone who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable individuals to raise serious concerns within Allied Motion prior to seeking resolution outside the Organization.

## **7. ACCOUNTING AND AUDITING MATTERS**

The Audit Committee of the Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Officer shall immediately notify the audit committee of any such complaint and work with the committee until the matter is resolved.

## **8. ACTING IN GOOD FAITH**

Anyone filing a report concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be subject to the appropriate disciplinary action as determined by management.

## **9. INVESTIGATION OF REPORT**

The Compliance Officer will advise the Chairman of the Audit Committee of all reports made, irrespective of whether such reports were made through internal communications or through the third-party whistleblower reporting system. The Compliance Officer will

review the report and, together with appropriate members of management and/or, as the case may be, the Chairman of Audit Committee, determine how to investigate the reported matter. In determining the manner in which a report should be investigated, the Compliance Officer will consider, among other things, the seriousness of the alleged wrongdoing and the credibility of the allegation of wrongdoing. The subject(s) of the report may be notified of the investigation, in the Compliance Officer's discretion, as the circumstances require. Directors, officers, and employees are required to cooperate in the investigation of a report. In addition, the Compliance Officer may request assistance of other senior executives and/or engage third parties (i.e., auditors, legal counsel or other experts) as the Compliance Officer deems appropriate.

**10. RESOLUTION**

Upon conclusion of the investigation, the Compliance Officer, along with other appropriate members of management and/or the Board of Directors, will determine if corrective measures or actions are warranted and the extent of such. In the event that the Compliance Officer determines that no corrective measures or actions are necessary or warranted, then he shall report the matter to the Audit Committee of the Board of Directors. The Compliance Officer may, in his discretion, also advise the individual making the report, if his/her identity is known, and/or the subject(s) of the report of the resolution.