



Message From the Chairman, President and Chief Executive Officer and To All Employees, Customers, and Vendors

STR Holdings, Inc. (STR) has always had high standards for professional and intellectual integrity – our goal is to set the standard for excellence in our industry.

We believe there are three elements to successfully implementing a code of business ethics:

1. A firm, uncompromising set of standards established by the Board of Directors and rigorously implemented and adhered to by the management of the Company. The owners and managers of the business must set the standard by personal example.
2. We must carefully evaluate potential additions to our staff and add only those persons whose personal ethical standards are in harmony with STR's Code of Business Conduct and Ethics.
3. The customers we serve and our suppliers must also share our zeal for high standards of integrity.

The key test for action we take should be “If what I am doing were to be published on the front page of the local paper, I can readily defend my actions to a reasonable person.” If this test cannot be met, rethink the action.

A handwritten signature in blue ink, appearing to read "R. Yorgensen", is positioned above the printed name.

Robert S. Yorgensen
Chairman, President and
Chief Executive Officer



POLICY STATEMENT

Subject: CODE OF BUSINESS CONDUCT AND ETHICS	Date Issued: August 5, 2010 Date Amended: August 16, 2011, February 9, 2012, December 20, 2012, August 26, 2015
Approved by: STR Board of Directors Date: August 26, 2015	Distribution: All Employees, Directors, Customers and Vendors

I. Overview

This Code of Business Conduct and Ethics (this “Code”) is designed to promote honest, ethical and lawful conduct by all employees, officers and directors of STR Holdings, Inc. and all subsidiaries and entities controlled by it (collectively, “STR” or the “Company”). This Code is intended to help you understand the Company’s standards of ethical business practices and to stimulate awareness of ethical and legal issues that you may encounter in carrying out your responsibilities to the Company. In addition, independent contractors, consultants, agents and sales representatives who represent the Company are expected to apply the same high standards while working on Company business.

Questions regarding the interpretation of this Code, legal interpretation of matters or requirements discussed in this Code, or the reporting of matters governed by this Code should generally be addressed or reported to the Company’s Controller and Chief Compliance Director. Requests for approval of conduct requiring authorization under this Code should generally be referred to the Controller and Chief Compliance Director.

The actions of every employee, officer and director affect the reputation and integrity of the Company. Therefore, it is essential that you take the time to review this Code and develop a working knowledge of its provisions. In particular, at all times, **you are expected to:**

- **avoid conflicts** between personal and professional interests where possible;
- **disclose any conflict** to (i) a supervisor or your local Human Resources representative, (ii) the Controller and Chief Compliance Director, or (iii) the Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers), and otherwise **pursue the ethical handling of conflicts** (whether actual or apparent) when conflicts or the appearance of conflicts are unavoidable;
- **provide accurate and complete information** in the course of fulfilling your obligations and communicate information in a timely manner;
- **provide full, fair, accurate, timely and understandable disclosure** in the periodic reports required to be filed by the Company with the U.S. Securities and Exchange Commission (“SEC”), other regulators and in other public communications made by the Company;
- **comply with all applicable laws, regulations and Company policies;**



- **seek guidance** where necessary from (i) a supervisor or your local Human Resources representative, (ii) the Controller and Chief Compliance Director, or (iii) the Company's Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers);
- **promptly report any violations** of this Code or any applicable law, rule or regulation to (i) a supervisor or your local Human Resources representative, (ii) the Controller and Chief Compliance Director, or (iii) the Company's Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers); and
- **be accountable personally** for adherence to this Code.

II. Scope of This Code

This Code is part of a broader set of Company policies and compliance procedures described in greater detail in the STR Corporate Policy Manual. This Code is not intended to supersede or materially alter specific Company policies and procedures already in place and applicable to particular employees as set forth in the Company's Corporate Policy Manual and/or a distinct Company policy and communicated to Company employees. Certain policies referred to herein are contained in their entirety in the Corporate Policy Manual and/or a distinct Company policy. Additional policies may be adopted by the Company that supplement policies referred to herein.

Note that the President and Chief Executive Officer, the Vice President and Chief Financial Officer and other senior officers are also subject to a supplemental "Code of Ethics for the CEO, CFO and Other Senior Officers" (the "Supplemental Code of Ethics").

No Company policy can provide definitive answers to all questions. It is difficult to anticipate every decision or action that an employee, officer or director of the Company may face or consider. **Whenever there is doubt about the right ethical or legal choice to make, or questions regarding any of the standards discussed or policies referenced in this Code, an employee should fully disclose the circumstances, seek guidance about the right thing to do, and keep asking until guidance is obtained.** The earlier a potential problem is detected and corrected; the better off the Company will be in protecting against harm to the Company's business and reputation.

Those who violate the standards in this Code will be subject to disciplinary action. Failure to follow this Code, as well as to comply with federal, state, local and any applicable foreign laws and the Company's corporate policies and procedures, may result in termination of employment or termination of board service.

III. Compliance with Laws, Rules and Regulations

The Company requires you to comply with all applicable laws, rules and regulations in countries where the Company does business. Violation of domestic or foreign laws and regulations may subject you, as well as the Company, to civil and/or criminal penalties. To assure compliance with applicable laws and regulations, the Company has established various policies and procedures, including those relating to:

- Conflicts of interest



- Email and communications
- Non-competition and non-disclosure
- Sexual harassment

You have an obligation to comply with these policies and procedures and to promptly alert (i) a supervisor or your local Human Resources representative, (ii) the Controller and Chief Compliance Director, or (iii) the Company’s Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers), of any deviation from them.

Legal compliance is not always intuitive. To comply with the law, you must learn enough about the national, state and local laws that affect your work at the Company to spot potential issues and to obtain proper guidance on the right way to proceed. When there is any doubt as to the lawfulness of any proposed activity, you should seek advice from the Controller and Chief Compliance Director.

Certain legal obligations and policies that are particularly important to our business and reputation are summarized below. Further information on any of these matters may be obtained from the Controller and Chief Compliance Director.

IV. Conflicts of Interest

The Company expects you to exercise good judgment and the highest ethical standards in your activities on behalf of the Company as well as in your private activities outside the Company. Particular care should be taken to ensure that no detriment to the interests of the Company (or appearance of such detriment) may result from a conflict between those interests and any personal or business interests which you may have. In particular, you have an obligation to avoid any activity, agreement, business investment or interest or other situation that might in fact or in appearance cause you to place your own interests, or those of another, above your obligation to the Company. Care should be taken about the appearance of a conflict since such appearance might impair confidence in, or the reputation of, the Company, even if there is no actual conflict and no wrongdoing. The definition of “conflict of interest” is found in the Conflict of Interest policy.

A. Types of Conflicts. While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest may arise whenever you take action or have interests that may make it difficult to perform your work objectively or effectively or when you (or an “immediate family member,” as defined below) receive improper personal benefits as a result of your position or relationship with respect to the Company. Conflicts may, depending on the circumstances, arise where you (or your immediate family member or an entity with which you are closely affiliated):

- solicit or accept from customers, suppliers or others dealing with the Company any kind of gift or other personal, unearned benefits as a result of your position or relationship with respect to the Company including payment or reimbursement of travel and meal expenses (other than non-monetary items of nominal intrinsic value; i.e., no greater than \$50.00 in any instance or \$100 from any such customer, supplier or other person in any 12-month period);
- have a financial interest in the Company’s competitors, customers, suppliers or others dealing with the Company (excluding interests that are less than 1% of the outstanding securities of a publicly-traded corporation or equivalent percentage of ownership interests in an unincorporated business);

- have a consulting, managerial or employment relationship in any capacity with a competitor, customer, supplier or others dealing with the Company;
- acquire real property, leaseholds, patents or other property or rights in which the Company has, or you know or have reason to believe at the time of acquisition that the Company is likely to have, an interest related to the business of the Company;
- engage in personal relationships with other Company personnel;
- engage in working relationships with family members or an entity with which you are closely affiliated; or
- have a material interest in a transaction involving indebtedness or a guarantee of indebtedness (excluding amounts due for purchases of goods and services subject to usual trade terms, for ordinary business travel and expense payments and for other transactions in the ordinary course of business).

An “immediate family member” includes your spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and any person (other than a tenant or employee) sharing your household.

B. Disclosure Required. In all instances where the appearance of a conflict exists, you must disclose the nature of the conflict to (i) a supervisor or your local Human Resources representative, (ii) the Controller and Chief Compliance Director, or (iii) the Company’s Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers). Where there is a real or perceived conflict of interest involving a director of the Company, the matter should be referred to the President and Chief Executive Officer. Company policy prohibits conflicts of interest, except as approved by:

- the Audit Committee, with respect to conflicts of interest related to directors, director nominees and executive officers; or
- senior management, with respect to conflicts of interest related to all other persons.

C. Other Policies. Conflict of interest transactions may also be subject to (1) the Company’s Related Person Transaction Policy and/or (2) the Supplemental Code of Ethics, depending on the circumstances. The Related Person Transaction Policy applies to, among others, the Company’s executive officers (as defined in such policy), directors and director nominees, and any immediate family members of the foregoing persons. Transactions that are subject to the Related Person Transaction Policy are required to be reported, reviewed and, where appropriate, approved or ratified in accordance with that policy. The Supplemental Code of Ethics applies to the Company’s President and Chief Executive Officer, Vice President and Chief Financial Officer, as well as other officers performing accounting, finance or reporting functions. Under the Supplemental Code of Ethics, additional rules for conflict of interest situations apply. If you have questions about either of these policies, please consult with the Controller and Chief Compliance Director.

D. Outside Employment. The Company’s employees and officers are expected to devote their full time and attention to the Company’s business during regular working hours and for whatever additional time may be required. Outside business activities can easily create conflicts of interest or diminish productivity and effectiveness. For these reasons, employees and officers should avoid outside business activities that divert their time and talents from the Company’s business. Though the Company encourages professional activities and community involvement, special care must be taken not to compromise duties owed to the Company. Employees and officers are expected to disclose the nature of any non-Company activity for which compensation is received.

E. Memberships on Boards and Committees. You must obtain approval from the President and Chief Executive Officer before agreeing to serve on the board of directors or similar body of a for-profit enterprise or government agency. Serving on boards of not-for-profit or community organizations does not require prior approval. However, if service with a not-for-profit or community organization creates a situation that poses a conflict of interest with the Company (for example, the organization solicits charitable contributions from the Company or purchases significant services from the Company); you should contact the Controller and Chief Compliance Director Director for approval to continue such service.

F. Political and Other Outside Activities. Prior to seeking any election or appointment to public office, you must notify (i) a supervisor **and** the Controller and Chief Compliance Director, (ii) the Controller and Chief Compliance Director, or (iii) the Company's Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers), to clarify the Company's position in the event the candidacy is successful or the appointment is made. Written approval must be obtained. See section VII.H on Political Contributions and Activities, below.

G. Other Activities. Subject to the limitations imposed by this Code, each employee and officer is free to engage in outside activities that do not interfere with the performance of his or her responsibilities or otherwise conflict with the Company's interests. Where activities may be of a controversial or sensitive nature and may violate the Conflict of Interest policy, employees and officers are expected to seek the guidance of (i) a supervisor or your local Human Resources representative, (ii) the Controller and Chief Compliance Director, or (iii) the Company's Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers), before engaging in such activities. You must not use your Company position or title or any Company equipment, supplies or facilities in connection with outside activities, nor may you do anything that might imply sponsorship or support by the Company of such activity, unless such use has been approved in writing by the Vice President and Chief Financial Officer.

H. No Solicitations. Employees and officers should not solicit contributions or other support from fellow employees while the employee doing the soliciting or the employee being solicited is on work time. Employees and officers should not distribute non-work-related material to fellow employees while either employee is on work time, or at any time, in areas where work is being performed.

I. Gifts and Gratuities. The Company's guidelines governing acceptable levels of gifts, entertainment, favors and gratuities, be they offered by STR employees or extended to them, are as follows:

- They cannot be construed as intended to corrupt the judgment of the recipient so as to secure unfair or preferential treatment.
- They are of such limited value that they could have no significant impact on the total financial operations of the Company or on the total income of the recipient.
- They are permitted if given to or received from customers and vendors under circumstances in which they can be considered customary and expected courtesies to the respective types of recipients, but gifts of cash or the equivalent of cash are not permitted. Any such cash or equivalent gifts offered by clients, vendors or any other party to an employee of STR shall be relinquished to the Human Resources Office to be made available by raffle, at the appropriate time, to any STR employee, excluding Company officers.
- No gifts may be made to government officials, provided that, if approved in advance in each instance by the Controller and Chief Compliance Director, non-cash items of nominal value may



be presented in accordance with local custom as long as there is no intent to influence the judgment of any such official, obtain or retain business or secure an advantage. Any payments of, or reimbursements for, travel, lodging or entertainment of government officials must be approved in advance by the Controller and Chief Compliance Director.

J. Loans and Guarantees. You and your immediate family members must not accept loans or guarantees of obligations (except from banks of other entities that provide such services in the normal course and at arms' length) from the Company or any individual, organization or entity doing or seeking to do business with the Company. You should report any offer of such a loan to (i) a supervisor **and** the Controller and Chief Compliance Director, (ii) the Controller and Chief Compliance Director, or (iii) the Company's Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers).

V. Protection and Proper Use of Company Assets

You have a personal responsibility to protect the assets of the Company from misuse or misappropriation. The assets of the Company include tangible assets, such as products, equipment and facilities, as well as intangible assets, such as corporate opportunities, intellectual property, trade secrets and confidential business information.

A. Theft/Misuse of Company Assets. The Company's assets may only be used for business purposes and such other purposes as are approved by the Company. You must not take, make use of, or knowingly misappropriate the assets of the Company, for personal use, for use by another, or for an improper or illegal purpose. You are not permitted to remove, dispose of, or destroy anything of value belonging to the Company without the Company's express prior written consent, including both physical items and electronic information.

B. Corporate Opportunities. You must not, for personal or any other person's or entity's gain, deprive the Company of any business opportunity which could be construed as related to any existing or reasonably anticipated future activity of the Company. If you learn of any such opportunity through your association with the Company, you may not disclose it to a third party or invest in the opportunity without first offering it to the Company. Nor should you use Company property, information or position for personal gain. You must comply with the Company's policies on insider trading and fair disclosure. See "Insider Trading and Fair Disclosure" below.

You must not participate in an initial public offering or otherwise accept special investment opportunities from a supplier, vendor (including banks or financial advisers), or customer with whom the Company is doing business or that is seeking to sell products or services to the Company without first disclosing the opportunity to the Controller and Chief Compliance Director and receiving the approval of the Controller and Chief Compliance Director.

VI. Confidential Information/Privacy

If you are entrusted with information of a non-public, confidential or proprietary nature (about the Company, its suppliers, customers or other constituents), you must not disclose that information outside the Company, either during or after service with the Company, except with written authorization of the Company or as may be otherwise required by law. You may not use confidential information for your own personal benefit or the benefit of persons or entities outside the Company, and you may be subject to the additional requirements of any applicable confidentiality, non-disclosure or similar agreement with the Company.

A. Confidential Information. Confidential information includes all non-public, proprietary or confidential information belonging to the Company or to its suppliers, customers or other constituents learned as an employee, officer or director of the Company. It includes, without limitation, the following:

- 1) any and all information about: (i) the product design, specifications, capabilities, functions, cost, durability, or chemical composition of a product; (ii) all test results arising from the testing of product; (iii) manufacturing information regarding the manufacture of a product; (iv) all information regarding the cost of manufacture, methods of and problems concerning manufacturing a product; (v) marketing information relating to any product or service; and (vi) information concerning product recalls;
- 2) non-public information that might be (i) of use to competitors, suppliers, vendors, joint venture partners or others, or (ii) harmful to the Company or its customers/clients' business interest, if disclosed;
- 3) non-public information about the Company's financial condition, prospects or plans, its marketing and sales programs and research and development information, as well as information relating to mergers and acquisitions, stock splits and divestitures;
- 4) non-public information concerning possible transactions with other companies or information about the Company's customers, suppliers or joint venture partners, which the Company is under an obligation to maintain as confidential;
- 5) non-public information about discussions and deliberations, relating to confidential business issues and decisions, between and among employees, officers and directors; and
- 6) non-public information about individuals about whom the Company may hold information from time to time, and which the Company is under an obligation to maintain as confidential.

Note: the Company's Board has adopted an Insider Trading Compliance Program to ensure that STR officers, directors and employees adhere to the requirements of the U.S. federal securities laws regarding insider trading. See "Insider Trading and Fair Disclosure," below.

B. Laws of Other Countries. In addition, most countries have data privacy laws regulating the collection and use of personal data, which is any information that directly or indirectly identifies a natural person, although the types of data covered, the nature of the protection and local enforcement mechanisms vary. Examples of personal data include personal, employment, medical, financial, and education and training information. All employees are responsible for ensuring compliance with the data privacy requirements under the laws, rules and regulations of the applicable countries.

C. Network Use, Integrity and Security. The Company reserves the right to monitor or review any and all data and information contained on any employee's or officer's computer or other electronic device issued by the Company. In addition, the Company reserves the right to monitor or review an employee's or officer's use of the Internet, Company Intranet and Company e-mail or any other electronic communications without prior notice.

Access to Company systems will be revoked and disciplinary action may be taken in the event that such systems are used to commit illegal acts, or to violate the nondiscrimination, harassment, pornography, solicitation or proprietary information terms of this Code, or any other terms of this Code.

In order to maintain systems integrity and protect the Company network, no employee or officer should divulge any passwords used to access any Company computer or database. Any suspected breach of the Company's network security systems should be reported immediately to (i) a supervisor **and** the Controller and Chief Compliance Director, (ii) the Controller and Chief Compliance Director, or



(iii) the Company's Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers).

All employees and officers should refrain from using or distributing software that may damage or disrupt the Company's work environment by transmitting a virus or conflicting with Company systems. No employee or officer should engage in the unauthorized use, copying, distribution or alteration of computer software whether obtained from outside sources or developed internally. All software, including "shareware," contains terms of use that must be adhered to.

VII. Trade Practices

A. Fair Dealing. You should deal fairly with the Company's suppliers, customers, competitors and employees. You must not take unfair advantage through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice. We respect the confidentiality and privacy of our suppliers and customers. Information about the Company's suppliers, customers, competitors and employees must be used in an ethical manner and in compliance with the law. Under no circumstance should information be obtained through theft, illegal entry, blackmail, or electronic eavesdropping, or through misrepresenting affiliation with the Company or identity. Any confidential or proprietary information should not be used if it is suspected that such information has been obtained improperly.

Similarly, you must respect and protect any confidential or proprietary information shared with the Company unless disclosure is necessary to comply with statutory requirements, subpoenas, court orders or other lawful process or properly authorized government investigations. This information should not be released without proper authorization and should be used for legitimate business purposes only. Employees and officers should not divulge any confidential or proprietary information about their former employers, nor shall any employee, officer or director ever ask them to.

Customers and potential customers are entitled to receive accurate information regarding prices, capabilities, terms and scheduling. The Company strives to produce advertisements that are fair, accurate and lawful. False or misleading statements to sell or market Company products or services are to be strictly avoided. Immediate efforts should be made to correct any misunderstanding that may exist with a customer or potential customer.

B. Antitrust Compliance. Vigorous competition – free from collusion and unreasonable restraints – is the best mechanism for ensuring the production of high quality, well-priced and innovative products and services. Moreover, failure to comply with applicable antitrust and other trade regulation laws in every jurisdiction in which the Company does business could result in serious consequences both for the Company and the offending individuals – including significant civil and criminal penalties and damage to the Company's reputation. Therefore, it is the Company's policy to compete solely on the basis of its superior and innovative products, through your collective efforts and contributions, and to avoid improper actions that unreasonably restrain trade. You are expected to support Company efforts to compete vigorously in the marketplace in compliance with both the letter and the spirit of all applicable federal, state and foreign antitrust laws.

Antitrust and trade regulation issues are very complex. Determining what actions unreasonably restrain trade or are otherwise improper will depend on the structure of the market and a number of other factors. **Whenever any doubt exists as to the legality of any communication, action, arrangement or transaction, please contact the Controller and Chief Compliance Director immediately.** To avoid even the perception of unlawful conduct, employees should avoid: (a) discussing with a competitor:

prices, costs, production, products and services, bidding practices, other non-public business matters, territories, distribution channels or customers; and (b) restricting the right of a customer to sell or lease a product or service at or above any price. In addition, the following practices should not be engaged in without advance written approval by the Controller and Chief Compliance Director: (a) conditioning the sale or lease of a product or service on the sale or lease of another product or service (“tying”); (b) conditioning the purchase, sale or lease of a product or service on a reciprocal agreement with a customer or supplier; (c) entering into an exclusive dealing arrangement with a customer (including a lessee) or supplier; (d) limiting a customer (including a lessee) as to the territories in which, or the customers to whom, a product or service can be resold or leased; and (e) discriminating in the prices or allowances offered to competing customers (including lessees).

C. Documentation. If you are authorized to make expenditures or enter into transactions on behalf of the Company, you must ensure that the applicable records comply with the Company’s accounting and procurement policies and that all transactions are recorded properly. Laws and regulations require the Company’s records, including its financial, environmental, health and safety, research and development, analytical, engineering and intellectual property records, to accurately reflect the events they represent. Always record data in a timely and accurate manner. This protects the Company’s resources and meets the expectations of the people who rely on the accuracy of the Company’s records to perform their jobs. Falsifying business records is a serious offense, which may result in criminal prosecution, civil action and/or disciplinary action up to and including termination of employment. See “Accounting Practices, Books and Records, and Records Retention,” below.

D. Insider Trading and Fair Disclosure. No employee, officer or director (nor any spouse or domestic partner, minor child or person sharing the household (other than a tenant or employee)) may (1) trade in securities while aware of material non-public information (also called “inside information”) or (2) disclose material inside information to third parties (“tipping”). Material inside information is any information that has not been disclosed broadly to the marketplace and, if made public, would be likely to be considered important by investors deciding whether to trade in the Company’s shares or other listed securities (e.g., earnings estimates, significant business investments, mergers, acquisitions, dispositions and other developments, expansion or curtailment of operations, and other activity of significance including matters which affect the market in which the Company operates). Trading in securities of the Company or any other company while aware of material inside information relating to that company, or tipping others to trade, is both unethical and illegal.

Accordingly, you and any of your immediate family must not: (a) trade securities of the Company or any other company while aware of material inside information with respect to that company; (b) communicate to anyone outside the Company material inside information of any company of which you are aware (this includes formal or informal advice given to family, household members and friends); or (c) disclose material inside information to anyone, other than those persons who need to know such information in order for the Company to properly and effectively carry out its business (e.g., to lawyers, advisers and other Company employees working on the matter). Every employee, officer and director of the Company (and any immediate family member) who has access to inside information on a regular basis, or has power to make strategic managerial decisions, must comply with the Company’s Insider Trading Compliance Program and may not trade in the Company’s securities while aware of material inside information, or tip others with respect to such information, unless they have the prior approval in writing of the Controller and Chief Compliance Director.

Of course, where material inside information is permitted to be disclosed, the recipient must be advised of its non-public nature and the limitations on its use. Any questions as to whether information is



material or non-public should be directed to the Controller and Chief Compliance Director. For additional information, see the Company's Insider Trading Compliance Program.

Additionally, all employees, officers and directors must provide full, fair and accurate disclosure in all government filings and public communications.

E. Inquiries from the Media and Public. The Company is committed to providing full, fair, accurate, timely and understandable disclosure of all information required by applicable law, regulations and rules to be so disclosed in reports and documents filed with, or submitted to, the SEC and other regulators, and in other public communications made by the Company. The Company is committed to these requirements. Consistent with this commitment and the Company's Insider Trading Compliance Program, employees (including officers) and directors are not authorized to answer questions from the media, analysts, investors or any other members of the public seeking official comment from the Company. If you should receive such an inquiry, you must record the name of the person and immediately notify the Vice President and Chief Financial Officer.

F. Bribery and Other Corrupt Practices. The Company strictly prohibits giving or promising, directly or indirectly, anything of value to any employee or official of a government (including state-owned companies) or a political party, candidate for office, or to any person performing public duties or state functions in order to obtain or retain business or to secure an improper advantage with respect to any aspect of the Company's business. As a U.S. entity, the Company is subject to the Foreign Corrupt Practices Act, which makes it illegal for the Company, its subsidiaries and persons working for or on behalf of the Company to offer, pay, give, promise or authorize the payment of any money or of anything of value, directly or indirectly, to any foreign government official or employee, foreign political party or candidate for foreign political office for the purpose of obtaining or retaining business or to secure an improper advantage, and comparable laws in other countries.

Under the Foreign Corrupt Practices Act, improper payments are defined expansively to include payments, both direct and indirect (for example through agents or contactors), gifts, entertainment, and certain travel expenses. Although written local law may permit gift-giving or the payment of entertainment expenses, the Vice President and Chief Financial Officer and the Controller and Chief Compliance Director must approve in advance any such payments. While the anti-bribery laws permit in narrow circumstances small "facilitation" payments to expedite the routine performance of legitimate duties, this area is not always clear, and the situation must be discussed with the Vice President and Chief Financial Officer and the Controller and Chief Compliance Director prior to any action being taken. The Company prohibits such payments unless the prior written approval of the Vice President and Chief Financial Officer and the Controller and Chief Compliance Director has been obtained. However, if you believe your personal safety is at risk, you may make such a payment, provided you then immediately report the payment and the circumstances under which it was made to the Vice President and Chief Financial Officer and the Controller and Chief Compliance Director. Any question as to whether a gift or payment would be considered improper under the Company's guidelines or national or foreign laws must be discussed with the Vice President and Chief Financial Officer and the Controller and Chief Compliance Director.

Under no circumstance is it acceptable for you to offer, give, solicit or receive any form of bribe, kickback, payoff, or inducement.

You may not use agents, consultants, independent contractors or other representatives to do indirectly what you could not do directly under this Code or applicable law, rules and regulations.



In retaining agents, consultants, independent contractors or other representatives, adequate background checks and verification of business credentials is required. Some “red flags” to look out for include:

- Third parties with family or other relationships that could influence the decision;
- Independent contractors or consultants with a reputation for bribes;
- A history of corruption in the country where the third party is being hired;
- Unusually high commission requests;
- A sales representative or agent who approaches you near the award of a contract and indicates a “special arrangement” with an official; or
- A customer who suggests that a Company bid be made through a specific agent or representative.

Any question as to this Code must be referred to the Controller and Chief Compliance Director prior to taking any action that might conflict with this Code.

G. International Business Dealings. Specific laws and regulations apply to participation in international business. Employees and officers involved in business transactions must be fully familiar with, and strictly adhere to, all applicable foreign and domestic laws and regulations. These employees and officers must, at a minimum, be familiar with and comply with all applicable laws controlling exports or regulating with whom the company and its employees may do business. These laws include export control and licensing laws, economic sanctions, anti-boycott laws, and various laws regulating the transnational movement of technology, goods and services. Questions regarding whether particular international transactions are permissible and compliance with applicable laws and this policy must be directed to the Controller and Chief Compliance Director.

H. Political Contributions and Activities. In the United States, federal and many state laws prohibit corporations from making political contributions. No direct or indirect political contribution (including the use of Company property, equipment, funds or other assets) of any kind may be made in the name of the Company, or by using Company funds, unless both the Vice President and Chief Financial Officer and the Controller and Chief Compliance Director or his/her designee has certified in writing that such political contribution complies with applicable law. If such certification is obtained, such contributions shall be by Company check to the order of the political candidate or party involved, or by such other means as will readily enable the Company to verify, at any given time, the amount and origin of the contribution.

I. Subpoenas and Government Investigations. As a general matter, it is the Company’s policy to cooperate in any government investigations and inquiries. All subpoenas, information document requests, or other inquiries, requiring a response or some other action from the Company, should be referred immediately to the Controller and Chief Compliance Director.

J. Maintaining a Safe, Healthy and Affirmative Workplace. The Company is an equal opportunity employer and bases its recruitment, employment, development and promotion decisions solely on a person’s ability and potential in relation to the needs of the job, and complies with local, state and federal employment laws. The Company makes reasonable job-related accommodations for any qualified employee or officer with a disability when notified by the employee that he/she needs an accommodation.



- The Company is committed to a workplace that is free from sexual, racial, or other unlawful harassment, and from threats or acts of violence or physical intimidation. For this reason, abusive or harassing conduct is unacceptable, whether verbal, physical or visual.
- The Company will not tolerate the possession, use or distribution of pornographic, racist, sexist or otherwise offensive materials on Company property, or the use of Company personal computers or other equipment to obtain or view such materials.
- The Company is committed to providing a drug-free work environment. The illegal possession, distribution, or use of any controlled substances on Company premises or at Company functions is strictly prohibited. Similarly, reporting to work under the influence of any illegal drug or alcohol and the abuse of alcohol or medications in the workplace is not in the Company's best interest and violates this Code.

If you (1) believe that you have been harassed or threatened with or subjected to physical violence in or related to the workplace, (2) have any concerns about the existence of offensive materials, especially child pornography, on the Company's systems or premises, (3) have any concerns about the possession, distribution, or use of any controlled substance on Company premises or at Company functions, or (4) have any concerns about accidents, injuries, or unsafe equipment, practices, conditions or other potential hazards, you should immediately contact (i) a supervisor or your local Human Resources representative, (ii) the Controller and Chief Compliance Director, (iii) the Vice President and Chief Financial Officer, or (iv) the Company's Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers), each of which will arrange for an investigation of the incident. All efforts will be made to handle the investigation confidentially.

VIII. Accounting Practices, Books and Records, and Records Retention

Honest and accurate recording and reporting of information is critical to our ability to make responsible business decisions and foster investor trust. You have a strict obligation to provide accurate information in the records of the Company.

You are expected to support the Company's efforts in fully and fairly disclosing the financial condition of the Company in compliance with applicable accounting principles, laws, rules and regulations and making full, fair, accurate, timely and understandable disclosure in our periodic reports filed with the SEC and in other communications to securities analysts, rating agencies and investors. The Company's accounting records are relied upon to produce reports for the Company's management, rating agencies, investors, creditors, governmental agencies and others. Our financial statements and the books and records on which they are based must accurately reflect all corporate transactions and conform to all legal and accounting requirements and our system of internal controls.

All employees, officers and directors – and, in particular, the President and Chief Executive Officer and the Vice President and Chief Financial Officer – have a responsibility to ensure that the Company's accounting records do not contain any false or misleading entries.

We do not tolerate any misclassification of transactions as to accounts, departments or accounting periods and, in particular:

- All accounting records, as well as reports produced from those records, are to be kept and presented in accordance with the laws of each applicable jurisdiction;
- All records are to fairly and accurately reflect the transactions or occurrences to which they relate;

- All records are to fairly and accurately reflect in reasonable detail the Company's assets, liabilities, revenues and expenses;
- No accounting records are to contain any false or misleading entries;
- No transactions are to be misclassified as to accounts, departments or accounting periods;
- All transactions are to be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period;
- All accounting records are to comply with generally accepted accounting principles;
- The Company's system of internal accounting controls, including compensation controls, is required to be followed at all times; and
- All transactions must be properly reflected in the accounting records.

Any effort to mislead or coerce the independent auditors or a member of the internal audit department concerning issues related to audit, accounting or financial disclosure has serious legal consequences for the perpetrator, including criminal sanctions, and for the Company, and is strictly prohibited.

Consistent with the reporting and recordkeeping commitments discussed above, you should accurately and truthfully complete all records used to determine compensation or expense reimbursement. This includes, among other items, reporting of hours worked (including overtime), reimbursable expenses (including travel and meals), and sales activity.

Compliance with the Company's Records Retention Policy is mandatory. Destroying or altering a document with the intent to impair the document's integrity or availability for use in any potential official proceeding is a crime. Destruction of corporate records may only take place in compliance with the Records Retention Policy. Documents relevant to any pending, threatened, or anticipated litigation, investigation, or audit shall not be destroyed for any reason. If you believe that Company records are being improperly altered or destroyed, you should report it to (i) a supervisor or your local Human Resources representative, (ii) the Company's Senior Vice President and General Counsel, (iii) the Chief Compliance and Internal Audit Director, or (iv) the Company's Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers).

IX. Duty to Report Violations

Subject to any specific limitations imposed by local law, each employee, officer and director is responsible for promptly reporting to the Company any circumstances that such person believes in good faith may constitute a violation of this Code, or any other Company policy, or applicable law, regulations and rules.

If you are in a situation that you believe may involve or lead to a violation of this Code, you have an affirmative duty to disclose to, and seek guidance from, (i) a supervisor or your local Human Resources representative, (ii) the Controller and Chief Compliance Director, or (iii) the Company's Ethics Hotline or Ethics Website at www.strethics.com (which also contains a listing of local Ethics Hotline telephone numbers).

Managers and supervisors and all persons receiving complaints will contact the Controller and Chief Compliance Director so that an appropriate investigation can be conducted in accordance with the Company's Whistleblower Policy and Complaint Procedures (the "Whistleblower Policy").

Suspected policy violations may be reported to the Controller and Chief Compliance Director (including confidential and anonymous reports).



Complaints may also be made through the Company's Ethics Hotline and Ethics Website at www.strethics.com (which contains a list of local Ethics Hotline telephone numbers).

In addition any complaint regarding questionable accounting, internal accounting controls or auditing matters (including confidential and anonymous complaints) may, in accordance with the Company's Whistleblower Policy, be reported to the Chairman of the Audit Committee, as follows:

Chairman of the Audit Committee
C/O: Vice President and Chief Financial Officer
STR Holdings, Inc.
10 Water Street
Enfield, CT 06082
(860) 265-1247

It is the Company's policy to encourage the communication of bona fide concerns relating to the lawful and ethical conduct of business, and audit and accounting procedures or related matters.

It is also the policy of the Company to protect those who communicate bona fide concerns from any retaliation for such reporting. No adverse employment action or retaliation may be taken directly or indirectly against anyone who in good faith reports a complaint or provides assistance or information to the Controller and Chief Compliance Director, the Audit Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigating or otherwise helping to resolve any complaint.

Confidential and anonymous mechanisms for reporting concerns are available and are described in this Code and the Whistleblower Policy. However, anonymous reporting does not serve to satisfy a duty to disclose your potential involvement in a conflict of interest or in unethical or illegal conduct. Every effort will be made to investigate confidential and anonymous reports within the confines of the limits on information or disclosure such reports entail. While self-reporting a violation will not excuse the violation itself, the extent and promptness of such reporting will be considered in determining any appropriate sanction, including dismissal. The Company will investigate any matter which is reported and will take any appropriate corrective action.

X. Violations of This Code

Allegations of Code violations will be reviewed and investigated by the Company's Controller and Chief Compliance Director or, in appropriate circumstances, by the Company's Audit Committee.

Failure to follow this Code and the Company's corporate policies and procedures – or a failure to comply with federal, state, local and any applicable foreign laws – may result in termination of employment, or termination of board service or other disciplinary or remedial action by the Company. Disciplinary action may include, but not be limited to, oral or written warning, suspension or termination. Remedial action, when appropriate, may include, but not be limited to, divestment of conflicting interest, changes in assigned duties, or disqualification for a particular assignment or position.

XI. Dissemination of This Code



As a condition of employment, all new employees will be required to sign a Statement of Compliance indicating they have received, read and understand this Code and agree to abide by its contents. New directors will also be asked to sign a Statement of Compliance.

All current employees and directors will be advised each time the Code is revised or updated. Divisions may, in response to specific or potential problems with vendors, send an annual letter to solicit support for this Code, in business relationships between the vendors and STR.

Annually, under the direction of the Controller and Chief Compliance Director, each officer, manager, and director is required to state in writing that they have received, read and understand this Code and agree to abide by its contents.

XII. Policy Review

The Board of Directors will review this policy annually at a Board of Directors' meeting.

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Adopted by the Board of Directors of STR Holdings, Inc. on November 6, 2009.

Amended by the Board of Directors of STR Holdings, Inc. on August 5, 2010.

Amended by the Board of Directors of STR Holdings, Inc. on August 16, 2011.

Approved by the Board of Directors of STR Holdings, Inc. on August 27, 2012.

Approved by the Board of Directors of STR Holdings, Inc. on August 26, 2015.