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## **HARTE-HANKS BUSINESS CONDUCT POLICY**

**SEPTEMBER 2009 VERSION**

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*Harte-Hanks Business Conduct Policy is not an express or implied contract of employment and does not create any contractual rights of any kind between Harte-Hanks and its employees. In addition, all employees should understand that this Policy does not modify their employment relationship, whether at will or governed by contract. This Policy is intended to clarify each employee's existing obligation for proper conduct. Harte-Hanks reserves the right to amend, alter, terminate or replace this Policy at any time for any reason, subject to applicable regulatory requirements.*

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## HARTE-HANKS VISION AND VALUES

### Harte-Hanks Commitment

Harte-Hanks vision is to be a leader in providing innovative and effective multi-channel, data-driven marketing and targeted advertising solutions – consistently, efficiently and on-time. We strive to always meet or exceed our customers' expectations, to help them respond to marketing opportunities and to overcome their marketing challenges. Achieving our vision depends not only on what we do, but the manner in which we perform. Since the founding of Harte-Hanks in the 1920's, our company has maintained a long-standing commitment to conduct our business affairs with the highest standards of excellence, integrity, honesty and fairness and to operating as a responsible corporate citizen at all times and in all places. We respect the rule of law and the human rights and dignity of others in all of our operations and activities. Workplace health and safety, protection of the environment, equal employment opportunities, accountability and ethical business practices are equally central. These core values hold true whether dealing with other employees, customers, suppliers, competitors, government authorities, investors, the general public or any other companies or individuals with whom we interact in the course of our day-to-day activities. Harte-Hanks commitment is fundamental to the way we do business and to our ability to attract and retain the best people, gain and keep the trust of our customers, create stockholder value and protect our reputation.

### Responsibilities of Employees

As employees of Harte-Hanks, each of us must provide daily stewardship to achieve these business imperatives. The purpose of this Business Conduct Policy is to reinforce the expectations of all employees – at every level – and to outline key concepts that are part of the framework for legal and ethical behavior and upholding our core values. Employees are also expected to oversee compliance with this Policy by those people whom they supervise and to report good faith concerns about violations or suspected violations of this Policy to our company's General Counsel or through one of the other reporting methods described in this Policy. Retaliation will not be tolerated for good faith reporting of concerns about violations.

### Application of Business Conduct Policy

This Policy does not address every specific situation or answer all questions. Nor can it replace the thoughtful behavior of an ethical employee. Rather, it is intended to focus on areas of legal and ethical risk, provide guidance to personnel to help recognize and deal with these issues, provide mechanisms to report illegal or unethical conduct and help to foster a culture of honesty and accountability.

This Policy is complemented by other company policies, employee education and training programs and employee communications on various specific topics and by applicable legal requirements. Additional information is available on the Harte-Hanks Law Department Web site for employees. This Policy is also complemented by individual agreements between employees and Harte-Hanks, including those addressing confidentiality, restrictions on post-termination competition and solicitations, ownership of company intellectual property and other employee obligations and restrictions. This Policy does not modify or supersede any such individual agreements, but rather supplements such agreements.

This Policy also applies to Harte-Hanks Board of Directors, notwithstanding any provisions that refer only to employees. And although we cannot exercise the same level of authority and control in implementing this Policy with business partners, contractors and suppliers, we expect behavior by these parties in keeping with the core principles set forth herein.

This Policy applies throughout our organization. "Harte-Hanks", "our company," "our" and "we" refer to our enterprise as a whole and to all employees within it. These references are not limited to specific entities, divisions, business units or other segments within our overall organization. "You" refers to Harte-Hanks employees and members of the Board of Directors who are subject to this Policy.

Any waiver of this Policy relating to any director or executive officer may be made only by the Board of Directors of Harte-Hanks, Inc., and any such waiver will be promptly and publicly disclosed as required.

Harte-Hanks will not tolerate employee conduct that is contrary to this Policy. Compliance with this Policy, as with other company policies, is a condition of employment for all employees and violations may result in disciplinary action, including termination.

### Employee Handbooks

Harte-Hanks Employee Handbooks provide additional information regarding our corporate culture, expectations of employees, certain employment policies, including confidentiality obligations and company ownership of intellectual property, information about employee use of our communications systems, work schedules, rules of conduct, workplace safety, compensation and benefits programs and other related information. All employees are required to familiarize themselves with the applicable Employee Handbook and to observe all policies therein. The Employee Handbooks are maintained by our Human Resources department and are available on Harte-Hanks Online Resource Center for employees.

## **ASKING QUESTIONS AND REPORTING CONCERNS; NO RETALIATION**

### Who to Contact for Questions

The standards and expectations outlined in this Policy are intended to serve as a general guide for making the right choices, and do not provide a detailed regulatory overview or address all specific situations that may arise. If any aspect of this Policy is unclear or if you have any questions about a specific situation that you face, you should contact your supervisor, business unit head, appropriate Human Resources representative or the General Counsel.

### Reporting Good Faith Concerns

If you believe in good faith that another Harte-Hanks employee or anyone else acting on behalf of Harte-Hanks is not conducting themselves legally or ethically or is otherwise violating this Policy, it is your responsibility to immediately communicate that concern to Harte-Hanks. Retaliation – whether in the form of termination, demotions, suspension, threats, harassment, discrimination or other adverse impact on the terms and conditions of employment – is specifically against Harte-Hanks policy (and in some cases may also be a violation of law) and will not be tolerated against any employee who, in good faith, reports such a concern. “Good faith” does not mean that an individual has to be right; but it does mean believing the information provided is truthful, accurate and not misleading.

### Available Methods to Report Good Faith Concerns

There are a number of methods available to employees to raise concerns, some of which allow for communications to be made anonymously. These available communication methods primarily consist of the following:

- contacting your supervisor, business unit management, appropriate Human Resources representative or the General Counsel,
- calling one of our company's published toll-free employee hotline numbers, and
- for concerns about accounting or auditing matters, reporting those concerns to the General Counsel or forwarding those concerns on a confidential or anonymous basis to the Audit Committee of the Board of Directors.

Additional information on each of these methods is available on the Harte-Hanks Law Department Web site for employees.

## **COMPLIANCE WITH LAWS**

As a responsible member of the global business community, Harte-Hanks is firmly committed to ensuring that all of our business dealings are conducted in a lawful manner. It is Harte-Hanks' policy to comply with all applicable laws and regulations affecting our business activities around the world. The employment of a Harte-Hanks representative or the use of Harte-Hanks assets for any unlawful purpose is strictly forbidden. The responsibility for adhering to the letter and spirit of our legal obligations rests with all of us. Therefore, in addition to conducting company business affairs with honesty, integrity and good judgment, Harte-Hanks expects its employees to respect and obey the laws of the countries and localities in which we operate. This does not mean that you must know the details of all the laws that govern our business in every jurisdiction, but you are expected to understand the laws and regulations applicable to your duties for Harte-Hanks well enough to know when to seek advice from supervisors, the law department or other appropriate personnel.

## FAIR DEALING AND INTEGRITY

Our commitment to integrity is about creating an environment where good people can make good decisions, all the time. We compete fairly and in accordance with the highest standards in all of our business relationships. We want to earn business on the basis of superior services and products and competitive prices, not through improper, unethical or questionable business practices. It is Harte-Hanks policy for our company and our employees to deal fairly with employees, customers, suppliers, competitors, government authorities, investors, the general public or any other companies or individuals with whom we interact in the course of our day-to-day activities. Employees are prohibited from taking unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice. We must remember that our success and reputation, built and developed over many years, can be quickly and significantly damaged unless each of us, every day, acts with honesty, integrity and fairness in our dealings with others.

## AVOIDING CONFLICTS OF INTEREST

### Avoiding Actual Conflicts or the Appearance of Conflicts

We are all expected to give our undivided business loyalty to Harte-Hanks when conducting our job-related duties. Accordingly, we must be careful to avoid conflicts of interest – situations where our private interests conflict, or even appear to conflict, with the interests of Harte-Hanks as a whole. A conflict of interest generally describes a situation where an employee's own interest may influence the way he or she handles company business, often when the employee or the employee's family member can benefit personally from transactions involving Harte-Hanks. Each employee is required to avoid any situation that might:

- involve a conflict between the employee's (or a family member's) personal interest and the interest of Harte-Hanks,
- give the appearance of a conflict of interest or impropriety, or
- adversely affect Harte-Hanks or the employee's judgment on Harte-Hanks behalf.

### Notification and Approval Requirements

If a potential conflict of interest arises, the employee involved should promptly review the situation with the responsible managing director, unit head or other supervisor. When a conflict of interest appears to exist, the managing director, unit head or other supervisor is required to submit the potential conflict, with his or her recommendations, to Harte-Hanks Chief Executive Officer and to Harte-Hanks General Counsel. The Chief Executive Officer will approve or disapprove the recommendations or take other appropriate action. For any conflicts involving a member of Harte-Hanks Board of Directors, the Chief Executive Officer or other executive officers, he or she is required to report those conflicts to the Harte-Hanks, Inc. Board of Directors or the appropriate Board Committee. Assuming no dereliction of responsibility, undue influence or other violation of this Business Conduct Policy has occurred, employees will generally be given a reasonable time to address the conflict. On an annual basis, all corporate officers, managing directors, unit heads and other designated employees are required to complete a conflicts of interest disclaimer and policy confirmation form, which is provided by the General Counsel.

### Non-Exclusive List of Situations to Avoid

It is not possible to describe all instances where a conflict of interest could occur. However, the following guidelines help define a potential conflict of interest and provide a non-exclusive list of relationships that are considered to be in conflict with Harte-Hanks' interests or a violation of trust and therefore should be avoided by all Harte-Hanks personnel:

1. *Financial Interest in Competitors or Companies Doing Business with Harte-Hanks.* Ownership by an employee or any dependent member of his/her family of a direct or indirect financial interest in, or obligation to, (i) an actual or potential competitor of Harte-Hanks or (ii) any company with which Harte-Hanks does business, directly or indirectly, or which is seeking to do business with Harte-Hanks; in both instances except in any case where such an interest comprises securities which are publicly traded and represent less than 1% of the outstanding stock.
2. *Personal Interest in Transactions Involving Harte-Hanks or Companies Doing Business with Harte-Hanks.* For an employee or any dependent member of his/her family to have an interest in any transaction involving (i) Harte-Hanks (such as buying, selling or leasing any kind of property, facilities or equipment from or to Harte-Hanks) or (ii) other than

for purchases of goods and services in the ordinary course of business, any company, firm or individual who does or is seeking to do business with Harte-Hanks.

3. *Taking Personal Advantage of Harte-Hanks Business Opportunities or Property.* For any employee directly or indirectly to take for himself or herself opportunities that are discovered through the use of Harte-Hanks property, information or position, or use Harte-Hanks property, information or position for personal gain.
4. *Positions with Other Companies.* Except as provided in Section 7 below, for an employee to serve as an officer, director or employee of any other company, or in any management capacity for, or as a consultant to, any individual, firm or other company doing or seeking to do business with Harte-Hanks or competing with Harte-Hanks.
5. *Improper Disclosure or Use of Harte-Hanks Confidential Information.* For any employee, without proper authority, to give or release to anyone not employed by Harte-Hanks any data or information of a confidential or proprietary nature concerning Harte-Hanks, or to use such information to his/her personal advantage and not in the best interest of Harte-Hanks; for example, by acquiring or inducing others to acquire any interest in securities of a company involved in, or which may become involved in, any transaction with Harte-Hanks which is not generally known to the public.
6. *Accepting Gifts or Other Benefits from Companies Doing Business with Harte-Hanks.* For an employee or any dependent member of the employee's family to accept from any organizations, firms or individuals doing or seeking to do business with Harte-Hanks: (i) commissions; (ii) other payments; (iii) loans or advances (other than from established banking or financial institutions); (iv) material goods, services, repairs or improvements at no cost or at unreasonably low prices; (v) excessive or extravagant entertainment; or (vi) travel or gifts of merchandise of more than nominal value. The issue of gifts, gratuities and similar benefits can have additional legal implications when the government or a government entity is involved and serious consequences can result from mishandling these relationships. Please refer to the section below, "Doing Business With The Government" and to Harte-Hanks *Government Contracting Ethics Policy*, which is available on the Harte-Hanks Law Department Web site for employees.
7. *Outside Employment or Services for Any Other Companies.* For a full-time employee, without the prior approval of the applicable Harte-Hanks, Inc. corporate officer, to accept outside employment or perform consulting or other services to any other company; however, Harte-Hanks respects the rights of employees to engage in activities outside of their employment which are of a private nature, such as social, community or religious activities. For corporate officers of Harte-Hanks, Inc., prior approval of Harte-Hanks means prior approval by the Board of Directors of Harte-Hanks, Inc. or the applicable Board Committee. Even if such outside employment or services for another company are approved, those activities may not be done on Harte-Hanks time or property or using Harte-Hanks equipment, supplies, personnel or other Harte-Hanks resources.

#### Conflicts of Interest Policy for Purchasing Activities

A supplemental *Conflicts of Interest Policy for Purchasing Activities* has been adopted to apply Harte-Hanks general *Conflicts of Interest Policy* in the context of employees who engage in purchasing activities. Employees of Harte-Hanks engaged in procurement activities are sometimes in a position with greater potential to give rise to a conflict of interest. The *Conflicts of Interest Policy for Purchasing Activities* is available on the Harte-Hanks Law Department Web site for employees.

#### Nepotism Policy

In an effort to maintain objective relationships between supervisors and employees and to minimize perceptions of favoritism, Harte-Hanks has adopted a *Nepotism Policy*. The policy describes certain restrictions in situations involving the employment of relatives and is available on the Harte-Hanks Law Department Web site for employees.

### **CORPORATE OPPORTUNITIES**

Employees owe a duty to Harte-Hanks to advance the legitimate business interests of Harte-Hanks when the opportunity to do so arises. Accordingly, employees are prohibited from (1) taking for themselves personally opportunities that are discovered through the use of corporate property, information, or position; (2) using corporate property, information, or position for personal gain; and (3) competing with Harte-Hanks.

## **PROTECTION AND PROPER USE OF COMPANY ASSETS**

Harte-Hanks has made significant investments of time and money to acquire, develop, maintain and effectively deploy its assets. Safeguarding and properly using Harte-Hanks assets is the responsibility of all employees. Assets include physical assets, such as supplies, buildings and equipment, and intangible assets, such as confidential business information, trade secrets, trademarks, copyrights, patents and other intellectual property or contract rights.

Harte-Hanks employees are also prohibited from using company time, labor, supplies, equipment, facilities or other assets or resources for purposes not directly related to authorized company business, including any such use for personal purposes. Company property used or developed in the course of work for Harte-Hanks remains Harte-Hanks property and must be returned upon request by Harte-Hanks or upon termination of employment.

Failure to properly protect and use company assets could cause Harte-Hanks significant harm and damage our reputation and brand and our ability to compete effectively. In some cases, our employees are provided limited access to use assets of our clients or other third parties as part of providing our products and services and we may be contractually obligated to protect and maintain those assets or subject to agreements that restrict how we handle those assets. Therefore, employees are also required to protect and respect the terms and conditions pursuant to which we are authorized to handle and use assets of our clients or other third parties, including third party intellectual property.

## **CONFIDENTIALITY AND EXTERNAL CORPORATE DISCLOSURES**

### Protection of Confidential Information

Confidential or proprietary information about our company can be one of our most valuable competitive assets and may include, for example, information about our business activities and plans, financial results and forecasts, new products and services and trade secrets. Some employees may be entrusted with confidential information about our customers, other employees, public consumers or others that are subject to regulatory or contractual limitations on its use and disclosure and it is Harte-Hanks policy to respect the confidential and proprietary information of others. Unauthorized disclosures of confidential or proprietary information can harm our company and our customers, and, in certain circumstances, may be a violation of law. Accordingly, disclosing information of a confidential or proprietary nature outside of Harte-Hanks, or even within Harte-Hanks other than to individuals who have a need to know such information to discharge their legitimate business responsibilities for Harte-Hanks, is prohibited. Appropriate care must be taken to avoid inadvertent disclosures, including avoiding discussing confidential information in restaurants, elevators, airplanes or other public places, avoiding working with confidential information in public places on laptop computers that can be viewed by third parties and avoiding transmitting confidential information by insecure means. Attempting to take personal advantage of confidential information is also prohibited. Your obligation to protect confidential information continues even after your employment with Harte-Hanks terminates.

### Public Disclosures of Corporate Information Policy

As a public company, Harte-Hanks is subject to a variety of restrictions and requirements that govern whether, when and how we make external disclosures of company-related information. These requirements are generally intended to promote a fair and efficient public marketplace for investors in our common stock, which is traded on the New York Stock Exchange. Harte-Hanks is committed to complying with its public disclosure requirements and to providing appropriate and timely information to all of its stockholders and the investment community.

As provided by Harte-Hanks *Public Disclosures of Corporate Information Policy*, only limited and specifically designated employees are authorized to make public or external disclosures on behalf of Harte-Hanks or to communicate with members of the media or investment community. This policy also addresses related topics, such as speaking engagements and trade publications, and is available on the Harte-Hanks Law Department Web site for employees.

## ACCURACY AND COMPLETENESS OF RECORDS

### Importance of Accurate and Reliable Business Records

Many of us create or prepare some type of business information during our workday, such as financial reports, accounting records, business plans, injury and accident reports, expense reports, time cards and various other company records. Legal requirements mandate that we must make and keep books, records, and accounts in reasonable detail so as to reflect accurately and fairly Harte-Hanks operations and financial position. Employees, our Board of Directors, government representatives, auditors and others inside and outside Harte-Hanks depend on our records to be accurate, truthful and properly maintained. Accuracy and reliability of Harte-Hanks business records are critical to our company's decision-making process and the proper discharge of Harte-Hanks' financial and legal reporting obligations, and it is Harte-Hanks policy to require accurate and reliable business records and to comply with associated legal requirements.

The intentional falsification of any book, record, or account, including the intentional submission of any false personal expense statement, claim for reimbursement of a non-business expense, or false claim for an employee benefit plan payment, is prohibited. No employee, regardless of position, is authorized to depart from this requirement, to condone a departure by anyone else or to otherwise deviate from our commitment to manage information accurately and truthfully.

### Internal Accounting Controls and Record-Keeping Policy

Employees are also required to comply with generally accepted accounting principles and our company's internal systems of accounting controls and other accounting policies at all times. Pursuant to Harte-Hanks *Internal Accounting Controls and Record-Keeping Policy*:

1. The use of any funds, or other assets of, or the providing of any services by Harte-Hanks for any purpose which is unlawful under the laws of the United States, any state thereof or any other jurisdiction (foreign or domestic) is strictly prohibited.
2. No undisclosed or unrecorded funds or assets of Harte-Hanks shall be established for any purpose.
3. No false or artificial entries shall be made in any books or records of Harte-Hanks for any reason, and no employee shall engage in any arrangements that result in such prohibited act.
4. No payment on behalf of Harte-Hanks shall be approved or made with the intention or understanding that a part or all of such payment is to be used for any purpose other than that described by the document supporting the payment.
5. Any employee of Harte-Hanks having knowledge of any unrecorded fund, asset or transaction or any prohibited act shall promptly report such matter to Harte-Hanks Chief Financial Officer and General Counsel.
6. Appropriate employees and committees of Harte-Hanks shall be required to certify compliance with this policy.
7. All transactions must be recorded in Harte-Hanks books, records or accounts.

### Records Management Policy

In order to reinforce Harte-Hanks policy that all employees comply with applicable laws and contract requirements governing the retention and disposal of records and to provide a framework for the retention and disposal of physical records and electronically stored records, Harte-Hanks has also implemented a *Records Management Policy*, which is available on the Harte-Hanks Law Department Web site for employees.

## **EQUAL EMPLOYMENT OPPORTUNITY AND FAIR TREATMENT**

### Treating All Employees With Dignity and Respect

We are committed to a work environment where all employees are treated with dignity and respect. It is Harte-Hanks policy to treat each individual fairly, and recruit, select, train, promote, compensate, terminate, discipline and make other employment decisions regarding employees based on merit, experience, and other work-related criteria, and to comply fully with laws governing fair employment and labor practices. We do not discriminate against any applicant for employment or any employee in any aspect of their employment at Harte-Hanks because of age, race, color, national origin, religion, sex, disability, sexual orientation, military or veteran status, pregnancy, or any other protected classification. Harte-Hanks expects that all relationships among persons in the workplace will be business-like and free of bias, prejudice, and harassment. Harte-Hanks prohibits and will not tolerate any such discrimination or harassment of our employees or other individuals performing services for Harte-Hanks, by anyone, including any supervisor, co-worker, vendor, client, or customer. Harte-Hanks Employee Handbooks contain additional information about our workplace policies and expectations, including equal employment opportunities and fair, non-discriminatory treatment of employees.

### Zero Tolerance for Discriminatory Harassment

Freedom from wrongful discrimination includes freedom from any form of discriminatory harassment. Prohibited harassment includes unwelcome conduct based upon a person's protected status that is intended to interfere or that has the effect of unreasonably interfering with that employee's work performance or creating an environment that is intimidating, hostile or offensive to the individual, or that affects tangible job benefits. Harassment includes (1) verbal harassment, such as derogatory comments, jokes or slurs, (2) physical harassment, such as unnecessary or offensive touching, or impeding or blocking movement, and (3) visual harassment, such as derogatory or offensive posters, cards, calendars, cartoons, graffiti, drawings, e-mails or gestures.

### Zero Tolerance for Sexual Harassment

Sexual harassment is also specifically prohibited and includes unwelcome conduct based on sex, whether directed towards a person of the opposite or same sex. Unwelcome sexual advances, requests for sexual favors, or other physical, verbal, or visual conduct based on sex constitute sexual harassment when (1) submission to the conduct is either an explicit or implicit term or condition of employment, (2) submission to or rejection of the conduct is used as a basis for employment decision, or (3) the conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

### Reporting, Investigations and Discipline

Harte-Hanks forbids retaliation against anyone for reporting harassment or other discrimination, assisting in making a harassment or discrimination complaint, or cooperating in a harassment or discrimination investigation. Employees may report harassment, discrimination or other inappropriate conduct to (1) the employee's immediate supervisor, (2) the appropriate Human Resources representative, or (3) Harte-Hanks General Counsel. Harte-Hanks policy is to promptly investigate such complaints and if an investigation confirms that a violation of this Policy has occurred, Harte-Hanks will take corrective action, including discipline up to and including immediate termination of employment. The severity of the disciplinary action will be based upon the circumstances of the infraction. Investigations will be held in as confidential a manner as is practicable in the circumstance, taking into account the desire to protect the confidentiality of any employee who believes this Policy has been violated, and to protect the reputation of any employee against whom a complaint is wrongfully made.

## **WORKPLACE HEALTH AND SAFETY**

### Commitment to Health and Safety

The health and safety of our people are of utmost importance to Harte-Hanks. We strive to protect our people, customers, and the public from injury and illness through our health and safety programs. Government regulatory standards and employee input are used to develop programs and work processes that are designed to promote safe workplaces and good health. We are all responsible for understanding and complying with Harte-Hanks health and safety processes, procedures, and guidelines, as well as those issued by applicable regulatory authorities.

Employees are required to immediately advise the company of any vehicle accident, workplace injury, instance of non-compliance, or any situation presenting a danger of injury. This information will assist in preventing injuries, and will ensure that appropriate medical attention is provided. Through investigation of such reports, we can identify contributing factors and determine if our policies and processes are effective and adequately communicated. When an unsafe condition, practice, or non-compliant action is identified, prompt and appropriate action must be taken to correct the condition and prevent it from happening again.

Harte-Hanks Employee Handbooks contain additional information about our workplace policies and expectations, including workplace health and safety.

#### Zero Tolerance for Workplace Violence

Our commitment to workplace health and safety includes a zero tolerance workplace violence policy. This means we will investigate and take appropriate action against threats to a safe workplace. Harte-Hanks prohibits violent behavior including, but not limited to, physical assaults, fighting, threatening comments, intimidation, and the intentional or reckless destruction of company, employee, or customer property. Any comments or behavior that reasonably could be interpreted as intent to do harm to people or property will be considered a threat. We also prohibit the unauthorized possession and/or use of weapons by any employee while at work, on company property, or while on company business. Any employee who believes that he or she may be the target of violence or threats of violence, or is aware of violent or threatening conduct by, or directed at, a Harte-Hanks employee that could result in injury to a person or the destruction of property, has a responsibility to immediately report the situation to his or her immediate supervisor or manager, the applicable Human Resources representative or the General Counsel. In the event of an imminent threat, employees should immediately contact local police or other appropriate local authorities.

### **ENVIRONMENTAL STEWARDSHIP**

#### Protecting Our Environment

We are committed to conducting our business in a manner that protects the environment and it is Harte-Hanks policy to operate our businesses as a responsible corporate citizen committed to sound environmental management. Our goal is to ensure that all of our facilities are maintained and our operations are conducted in full compliance with applicable federal, state, local and foreign environmental laws and also to seek ways to minimize waste, prevent pollution and otherwise protect the environment. Our environmental responsibilities include:

- properly storing, handling, labeling, transporting and disposing of hazardous and other waste,
- managing wastewater and storm water in compliance with applicable regulations,
- complying with laws regarding clean air,
- obtaining and maintaining appropriate environmental permits,
- emergency planning and employee training, and
- protecting against and appropriately responding to spills and releases.

#### Environmental Compliance Policy

As part of our commitment to responsible environmental management, our company has designated Environmental Coordinators and has also adopted an *Environmental Compliance Policy*, which is available on the Harte-Hanks Law Department Web site for employees. If you have any questions about our environmental policies or environmental laws, please contact the General Counsel or the applicable Environmental Coordinator.

## ANTI-CORRUPTION COMPLIANCE

### Compliance with Anti-Bribery Laws

As a U.S.-based corporation, Harte-Hanks is subject to the U.S. anti-bribery laws that are enforceable worldwide and generally cover all Harte-Hanks operations, including all businesses, agents, and joint ventures. Anti-bribery laws include the Foreign Corrupt Practices Act (FCPA) and similar laws of the countries in which we operate and various international anti-bribery conventions. Broadly speaking, the FCPA prohibits a U.S.-based company or any of its worldwide businesses or affiliates from bribing – or offering, promising, or authorizing anything of value to – a foreign government official in order to obtain or retain business. We conduct our business in accordance with the FCPA, and every one of us, regardless of the country in which we work, must adhere to its requirements.

Under the FCPA as well as other anti-bribery laws, Harte-Hanks, its employees, and its agents also are prohibited from doing indirectly what we are prohibited from doing directly – we cannot make any payment to a third party if all or any part of the payment will be given to a prohibited person. Harte-Hanks could be held liable for such payments even if the company did not know, but should have known, that the payment was going to a prohibited person.

### Foreign Corrupt Practices Act / Anti-Bribery Policy

Employees are prohibited from paying any bribe, kick-back or other similar unlawful payment to any public official, government or other individual, regardless of nationality, to secure any contract or improper advantage for Harte-Hanks or the employee or a family member. All employees are also expected to comply with the Harte-Hanks *Foreign Corrupt Practices Act / Anti-Bribery Policy*, which is available on the Harte-Hanks Law Department Web site for employees.

## INSIDER TRADING RESTRICTIONS

### Prohibition Against Insider Trading

Buying or selling securities while aware of material, non-public information may violate U.S. and other securities laws. Insider trading is unethical, illegal and a violation of company policies. Harte-Hanks, its directors and all employees, regardless of their positions, and others who may gain access to Harte-Hanks inside information are subject to these restrictions. A determination as to whether information is “material” or “inside” depends on all of the relevant facts and circumstances. In general, information is considered material if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision. Both positive and negative information may be material. Inside information means the information is non-public or, in some cases, has been public only for a very short time. Examples of potentially material, inside information may include:

- our financial performance and financial condition,
- our strategic plans,
- mergers, acquisitions, joint ventures, divestitures or other similar transactions,
- important news about our products or services, or developments regarding key customers or suppliers, and
- major lawsuits, claims or regulatory proceedings.

Insider trading restrictions also prohibit communicating material nonpublic information to family members, friends, business associates or others who then trade based on the information – commonly referred to as “tipping” – and they also apply to securities of other companies – such as suppliers, customers, or competitors – and limit any trading in those securities if a Harte-Hanks employee learns in the course of his or her employment material confidential information about the other company.

### Specific Harte-Hanks Insider Trading Restrictions

Harte-Hanks, like many public companies, has adopted specific trading restrictions to guard against insider trading. These restrictions are designed to protect employees and Harte-Hanks from liability associated with inappropriate use of inside information and these restrictions apply to specified employees and those living in their household. Do not confuse the applicability of these trading restrictions with the broader prohibition on trading when aware of material inside information. Harte-Hanks directors and employees are required to adhere to the following guidelines and procedures in order to help ensure compliance with applicable insider trading requirements:

1. *Nondisclosure.* You should avoid disclosing material inside information to others, except to persons within Harte-Hanks whose positions require them to know it to perform their authorized job responsibilities.
2. *Trading in Harte-Hanks Securities.* You should not place a purchase or sale order, or recommend that another person place a purchase or sale order, in Harte-Hanks securities when you are aware of material information concerning Harte-Hanks that has not been disclosed to the public. This includes orders for purchases and sales of stock and all other company securities. Although the exercise of employee stock options is not subject to this policy because the exercise itself involves only an internal transaction with Harte-Hanks, the underlying stock that is acquired upon exercise of a stock option will be treated like any other stock and may not be sold by an employee who is aware of material inside information, even if being sold to pay the exercise price or taxes associated with the exercise. Any employee who is aware of material inside information should wait two trading days after the information has been publicly released by Harte-Hanks before trading.
3. *Avoid Speculation.* You should avoid speculating in Harte-Hanks stock. Investing means buying to share in the future potential growth opportunities of Harte-Hanks — it does not mean short range speculation based on anticipated fluctuations in the market. Speculating in our stock, which would include short-selling, is inconsistent with Harte-Hanks culture.
4. *Trading in Other Company's Securities.* You should not place a purchase or sale order, or recommend that another person place a purchase or sale order, in securities of another company, if you learn in the course of your position with Harte-Hanks confidential information about the other company that may affect the value of those securities. For example, it would be a violation of the securities laws if an employee learned through Harte-Hanks sources that Harte-Hanks intends to purchase another company, and then traded stock in that other company because of the likely increase or decrease in the value of its securities.
5. *Trading in Puts, Calls and Options.* Harte-Hanks policy prohibits trading in options, warrants, puts and calls on Harte-Hanks securities on the New York Stock Exchange or other markets. Options trading is highly speculative and risky. People who buy options are betting that the stock price will move rapidly. For that reason, when a person trades in options in his or her employer's stock, it may create the appearance that the person was trading on the basis of inside information, particularly where the trading occurs before a company announcement or major event. It is difficult for an employee to prove that he or she did not know about the announcement or event. As a result, Harte-Hanks prohibits its directors and employees from trading in options on Harte-Hanks stock. This policy does not pertain to stock options granted by Harte-Hanks under its equity compensation plans, which are not separately traded on the NYSE or other markets.
6. *Window Group Restrictions.* Harte-Hanks directors, executive officers and certain other designated employees are subject to additional "Window Group" restrictions. From time to time, other employees with inside knowledge of material information may be informed by the General Counsel that they are subject to similar restrictions on trading. The General Counsel maintains a list of individuals comprising the Window Group and notifies individuals of their inclusion in this group. The Window Group is subject to the following additional restrictions on trading in Harte-Hanks securities:
  - You must pre-clear all transactions in Harte-Hanks securities by contacting Harte-Hanks General Counsel with details of your proposed transaction. Transactions to be pre-cleared include any purchase or sale of Harte-Hanks securities in the open market, the exercise of any Harte-Hanks stock options and the sale of the underlying securities, as well as any transfers of funds in or out of any account in a Harte-Hanks benefit plan that includes investments in Harte-Hanks' securities. Transactions by members of your immediate family, trusts of which you are either a trustee, settlor or beneficiary or members of your family are beneficiaries, and partnerships or closely held corporations in which you have an interest may be attributable to you, so you should also discuss these transactions with the General Counsel in advance.
  - Harte-Hanks is most likely to pre-clear a transaction during an open "window period," which typically occurs during each quarter beginning at the opening of trading on the second business day after the day on which Harte-Hanks issues the preceding quarter's earnings release and ending at the close of trading on the sixteenth day of the last month of the then-current fiscal quarter. Even during a window period, however, you are not permitted to trade if you are aware of material non-public information regarding our company.

- You are not permitted to make a trade outside of an open quarterly window period except for reasons of exceptional personal hardship and subject to prior clearance with the General Counsel. Notwithstanding the foregoing, it is not a violation of this policy for a person in the Window Group to trade in Harte-Hanks securities at any time if such trading is pursuant to an arrangement that (a) complies with SEC Rule 10b5-1 and (b) has been disclosed to Harte-Hanks General Counsel in advance of such trading.
- Individuals in the Window Group are also subject to the general restrictions on all employees.
- Directors and executive officers are also subject to public reporting requirements and related regulatory restrictions in connection with their ownership and transactions in Harte-Hanks securities, in addition to generally applicable insider trading restrictions, and are required to comply in full with these requirements.

## **PRIVACY AND DATA SECURITY**

### Commitment to Privacy and Data Security Best Practices

As a leading direct marketing and targeted advertising company, we are subject to, or affected by, numerous laws, regulations and industry standards that address, among other things, privacy, data security and marketing preference management. Harte-Hanks is committed to ensuring that all of our business dealings are conducted in compliance with applicable laws, regulations and contractual agreements addressing privacy, data security and marketing practices. These requirements impact the manner in which we, or our clients, capture, handle, analyze, disseminate and dispose of customer and prospect data as part of our client engagements and other business activities. In many instances, client contracts mandate that we adhere to our clients' privacy policies or other privacy and data security practices. If we (or our vendors, such as credit card processing companies, independent contractors, temporary employee agencies and data brokers) fail to effectively protect and control sensitive personal information and personally identifiable information in accordance with these requirements, we may suffer reputational harm and loss of business, and, in certain cases, be subject to regulatory or governmental sanctions or litigation. All of us play a key role in successfully protecting and appropriately using the information we handle.

### Privacy and Security Policies and Other Employee Resources

Harte-Hanks' commitment is evidenced by a proactive and systematic approach to privacy and data security. Additional information about our policies, internal resources, employee training and education, reporting a data security incident and other reference materials are available on the Harte-Hanks Law Department Web site for employees.

## **ANTITRUST AND FAIR COMPETITION**

### Commitment to Vigorous and Fair Competition

Harte-Hanks policy is to compete vigorously and ethically and to do so at all times in compliance with applicable antitrust and competition laws. We make our own decisions on the basis of the best interests of our company, completely independent and free from any understanding or agreements (including tipping or signaling) with any competitor. The antitrust laws of countries around the globe are designed to preserve a competitive economy and to promote vigorous and fair competition by restricting certain business activities between competitors, agreements that restrain trade or reduce competition or consumer choice and other anti-competitive practices. Common areas of anticompetitive practices may include, for example:

- price-fixing agreements among competitors,
- agreements among competitors regarding production volumes, customers, territories, suppliers and distribution methods or plans,
- collaboration or collusion with competitors in a competitive bidding situation,
- below-cost pricing,
- discriminatory pricing, and
- monopolization of a market.

Antitrust laws impact our relationships with our customers, suppliers and competitors. We are all required to comply with these laws and regulations. Those Harte-Hanks employees who are involved in marketing, sales, purchasing or contracts, or in discussions with competitors, have a particular responsibility to ensure that they understand our standards and the

applicable competition laws. Violation of the antitrust laws can have severe consequences for both the individual involved and Harte-Hanks.

### Guidelines for Employees

Antitrust requirements and restrictions can be complex and there is no “check-list” that can ensure compliance at all times in all situations. The following guidelines are intended to provide a general reference for employees to highlight certain best practices and common potential problem areas which warrant seeking legal advice before proceeding. If you have any doubt as to the propriety of a practice or decision under the antitrust laws, consult with Harte-Hanks General Counsel in advance.

- *Compete Ethically and Fairly in Substance and Appearance.* Always adhere to the principles of honesty, frankness and forthrightness in the sale of our products and services, and avoid any marketing or other programs which could be characterized as unfair or deceptive, such as misrepresentations or exaggerations about our products and services, bribery or false disparagement of our competitors. Also look at your actions from the point of view of a third party (such as a competitor) and make every effort to avoid even the appearance of anticompetitive conduct. Act at all times so everyone will know that you are competing vigorously, independently and fairly.
- *Avoid Agreements or “Understandings” with Competitors.* Avoid agreements or “gentlemen’s understandings” with representatives of competitors or exchanges of competitive information with competitors or other conduct which might give the appearance of an illegal agreement.
- *Appropriate Market Research on Competitors.* Market research on competitors from lawful and reputable sources is an appropriate component of vigorous competition, but you should avoid direct or indirect contacts with competitors regarding their prices or other competitively sensitive information.
- *Improper Conduct at Trade Associations or Industry Standards Organizations.* If you participate in a trade association, industry standards setting organization (such as setting technology standards) or other professional organization, avoid discussions and conduct that could be construed as unlawful anticompetitive activity or an unlawful agreement, such as discussions with competitors about prices, rates, discounts, output plans, terms or conditions of sale, credit terms, profits and profit margins, production costs, market share, distribution practices, sales territories, selection or termination of customers, or any other competitively sensitive matter.
- *Advance Legal Review of Certain Transactions.* Consult with the General Counsel prior to commencing any negotiations or discussions regarding the following types of agreements or transactions:
  - Joint Activity with Competitors – agreements that involve joint activity with competitors or potential competitors;
  - Resellers or Distributors – agreements with resellers or distributors that limit resale prices or that impose other potentially anticompetitive restrictions on the resale or distribution of our products and services;
  - Requirements Contracts – agreements where a purchaser agrees to purchase all of its requirements for a particular good or service from a particular seller;
  - Potential Tying Arrangements – agreements that could be construed as requiring a customer to buy another service or product as a condition to buying the one the customer wants;
  - Exclusive Dealings Agreements – obtaining from a customer an agreement that the customer will buy products or services solely from Harte-Hanks or that the customer will deal with Harte-Hanks exclusively; or obtaining from a supplier an agreement that the supplier will sell products or services solely to Harte-Hanks or that the supplier will deal with Harte-Hanks exclusively; and
  - Certain Pricing Policies – transactions whereby different prices are offered for the same product to similarly situated customers.
- *Focus Your Marketing on Harte-Hanks, Not on Our Competitors.* Focus your conduct and statements to customers, prospects and other third parties to whom we are marketing our company on the value and benefits of Harte-Hanks products and services. Although accurate comparisons to competing products and services are permissible to

demonstrate the value of Harte-Hanks products and services, any misleading or deceptive statements about our competitors or their products and services are prohibited.

- *Avoid Even the Appearance of Monopolization.* Avoid any tactics or comments which could be misconstrued as being designed to use market power to exclude competitors or new entrants from a “market”, to drive a competitor out of business (e.g., sharp price reductions only in that competitor’s market, selling below cost for purposes of injuring a specific competitor or trying to close distribution channels to competitors) or as otherwise showing anticompetitive intent.
- *Avoid Favoritism or Discrimination Among Similarly Situated Customers and Suppliers.* Any services, assistance or payments offered or made by Harte-Hanks to any customer should generally be made or offered to all similarly situated, competing customers on a proportionally equal basis. Avoid offering different prices for the same product to similarly situated customers. The same principle applies to dealings with suppliers and other counterparties.
- *Response if a Competitor Contacts You Regarding Prices or Other Competitive Information.* If you are contacted by a competitor regarding prices, customers, territories or any other competitive matter, immediately tell the competitor that you cannot discuss the matter and immediately end the conversation and contact your supervisor and the General Counsel for further guidance.
- *Customer Claims About Our Competitor’s Prices.* If a customer indicates to you that a competitor has offered a price lower than the one you are currently offering for the same service or product, do not contact the competitor to seek verification about their prices.
- *Avoid Records That Can Be Misconstrued.* You should use care before creating records (including e-mails) that could be misconstrued as showing anticompetitive intent or showing an unlawful agreement. Records that are relevant to litigation, regulatory proceedings or other disputes, regardless of whether they are intended to remain confidential, can be subject to mandatory disclosure to third parties and can be easily misconstrued or taken out of context in the event of litigation or other situations, which may arise long after the fact.

## **POLITICAL ACTIVITIES AND CONTRIBUTIONS**

We encourage all Harte-Hanks employees, as private citizens, to exercise their individual rights of citizenship, to be informed voters, to make personal political contributions if you wish to do so with your own funds and to otherwise be politically involved, in support of candidates or parties of your own personal selection. However, this is a personal voluntary choice to be made by you and must be performed strictly in your individual and private capacity and on your own time, with your own resources.

Election laws in some countries prohibit campaign contributions by corporations, whether by direct or indirect use of company funds or resources. In addition, there are legal restrictions pertaining to contact with government officials in the United States and certain other countries, including lobbying and issue registration. Although Harte-Hanks may make appropriate contact through lawful governmental channels when warranted to address business issues, this will be done only by designated personnel and with executive management approval.

Harte-Hanks prohibits any expression of company support for any particular candidate, political party or governmental entity, and prohibits use of company funds, personnel, material or services for political contributions. Your personal political activities and contributions must not involve or even appear to involve use of Harte-Hanks funds or resources or to be on behalf of Harte-Hanks. Harte-Hanks funds and resources include, for example, company time, facilities, personnel, services, office supplies, letterhead, phones, computer systems, communication systems and equipment. Employee work time also is considered a company resource and may be considered a contribution by Harte-Hanks. Therefore, Harte-Hanks policy precludes any payment by Harte-Hanks to you with respect to any time spent by you as a private citizen campaigning for a political party, and you may not receive any direct or indirect reimbursement or offsetting refund of any nature with respect to personal political contributions made by you.

Harte-Hanks employees who hold or seek political office must do so on their own time, whether on vacation, unpaid leave, after hours, or on weekends. Any Harte-Hanks employee who intends to run for political office or hold a political office should alert Harte-Hanks General Counsel and, where permitted by law, Harte-Hanks requests that employees obtain advance permission from Harte-Hanks prior to running for political office, in order to avoid a potential conflict of interest.

## **DOING BUSINESS WITH THE GOVERNMENT**

### Strict Requirements for Dealing with Government Customers

Doing business with the government is not always the same as doing business with private parties. Contracts with government customers are often subject to heavily structured and restrictive laws, regulations and processes during the contract negotiation and contract award process, contract performance and post-performance periods. Activities that might be appropriate when working with private sector customers may be improper - or even illegal - when a national or local government is our customer. For example, business courtesies or entertainment that might be acceptable when dealing with private parties - like paying for meals or drinks - may not be appropriate when working with government officials. In addition, due to complex legal requirements, some types of bid-related information, which might be proper in a transaction with a private party, may not be requested or received when dealing with governments or their officials. These restrictions are generally designed to ensure the integrity of the contracts process when dealing with government entities and to promote government policies across a wide spectrum of areas, such as labor and employment protections and opportunities for small and disadvantaged businesses.

### Government Contracting Ethics Policy

Harte-Hanks has a government contracts compliance program designed to educate and ensure compliance by our employees regarding the requirements and restrictions imposed by these laws. Our compliance program includes written policies, training for applicable employees and other components. All applicable employees are expected to comply with the Harte-Hanks *Government Contracting Ethics Policy*, which is available on the Harte-Hanks Law Department Web site for employees.

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