



Code of Conduct

Guidelines for living the MTS values

be certain.



Dear MTS employee,

Thank you for continuing to help our company compete aggressively while conducting itself with the highest levels of integrity. Our daily conduct makes the difference. It allows us to achieve our goals, and it is the foundation for our continuing success.

Ethical behavior and corporate compliance are critical but, in order to realize our true potential as a global company, we must exhibit those unique MTS values that make us stand apart from our competitors.

The six values detailed in this document have been with MTS since the beginning, and they are permanently embedded in our culture. Your survey and focus group feedback on the values confirmed that these are our unique values. They represent our heritage and they point the way to the future. Living our values enables us to accomplish great things.

The paragraphs that follow are designed to help you put the MTS values into practice. Collectively, our values guide how we conduct ourselves and our operations, how we treat one another, and how we bring our ideas to life in a way that gives our customers and us every opportunity to succeed.

The individual skills, abilities and judgment of every MTS stakeholder are absolutely vital to our growth and development. As each of us commits to applying these values in our daily work, the global MTS leadership team is equally committed to providing the tools, resources and personal empowerment you need to thrive. That is how we will make an outstanding company even better.

We appreciate your dedication to MTS. I am truly excited for what we can accomplish together.

A handwritten signature in black ink, appearing to read "J. A. Graves". The signature is fluid and cursive, with a long horizontal flourish at the end.

Dr. Jeffrey A. Graves
President and Chief Executive Officer



MISSION

To be the innovation leader in creating Test and Measurement solutions to enable our customers' success.

VISION

Through innovation, create value to drive growth.

VALUES

Our values reflect the deeply held beliefs that make MTS a vital partner for customers, employees, vendors and suppliers around the world. Every day, we reinforce our values through the collective and individual actions we take on behalf of this company.

VALUES

INTEGRITY

We honor our commitments.

- » We follow ethical and compliant business practices
- » We lead by example
- » We make decisions based on facts
- » We are honest with our stakeholders, transparent in all we do

INNOVATION & PASSION

We thrive on delivering extraordinary solutions to our customers' most complex challenges.

- » We are technology leaders in the industries we serve
- » We are motivated and possess a healthy spirit of competitiveness
- » We show pride and dedication in everything we do

CUSTOMER COMMITMENT

We partner with our customers and are committed to their success.

- » We listen to our customers and anticipate their needs
- » We believe our customer relationships are a professional and personal responsibility
- » We respond quickly and efficiently to customer requests

RESPECT

We support a "speak up" culture, encouraging transparency and enabling trust.

- » We believe in open and honest communication
- » We work in a cooperative manner that values the dignity of all
- » We value collaboration across all functions and geographies, actively sharing information and ideas

ACCOUNTABILITY

We are empowered to make decisions and accept responsibility for our performance.

- » We demand excellence from ourselves and superior quality from our offerings
- » We analyze our success and failures and learn from each experience
- » We set goals, measure performance and reward results
- » We show flexibility to adapt to change

INVEST IN OUR FUTURE

We are committed to both short- and long-term results.

- » We continually invest in our people, technology and solutions to meet and exceed our customers' expectations
- » We seek continuous improvement in our processes to be more productive
- » We are committed to creating an environment of growth and development for all employees

OUR GUIDING PRINCIPLES

We are committed to living our values both individually and collectively. Outlined below are our guiding principles for ethical and compliant business practices.

1. COMPLY WITH ETHICAL STANDARDS

Honest, fair and transparent business practices are essential to best serving our customers and thriving in the global marketplace. That is why we remain committed to conducting our business with absolute integrity and to the highest ethical standards. This commitment is a cornerstone of our organization.

Because of our unwavering dedication to integrity, we comply with all laws and regulations that impact our business. That includes those that govern securities, contracts, export and import, environmental protection, antitrust, and financial accounting and reporting.

As an MTS employee, you uphold our commitment to business ethics and compliance by knowing and following the laws, rules, regulations and compliance policies that apply to your job. If you are ever uncertain about how to proceed, please do not hesitate to ask for guidance. You can speak with your supervisor, a member of your local MTS Ethics Committee, MTS Business Ethics and Compliance Office, MTS Office of General Counsel or the MTS AlertLine.

We must:

- » Be honest in our business dealings and act with integrity
- » Know and follow relevant laws, regulations and rules
- » Understand how and why these laws apply to our work
- » Ask questions when uncertain about legal or ethical issues



Insider Trading - It is against the law to buy, sell, or trade company stock or securities while you are aware of material, non-public information about or involving the company.

Tipping - You may not reveal material, non-public information concerning the company to any person for trading purposes nor recommend the purchase or sale of company securities to others based on material, non-public information.

“ Excellence calls for character . . . integrity . . . fairness . . . honesty . . . a determination to do what’s right. High ethical standards, across the board. ”

– Price Pritchett

2. ENSURE FINANCIAL TRANSPARENCY

We provide full, fair, accurate, timely and understandable information to stockholders. This includes details contained in our filings with governmental agencies and other public communications, and remaining in compliance with the Foreign Corrupt Practices Act (FCPA).

Our company follows established accounting policies, records all business transactions accurately, and maintains accurate, complete and timely financial records. Proper authorization must be obtained before incurring, paying or transferring MTS funds and assets. Forecasts and assessments provided to management are done in a candid and timely manner.

Employees who are required to record and report their time must do so accurately and in compliance with time-reporting rules. Cost charging, including expense reports and material charges, must be accurate. We do not engage in insider trading or tipping.

All proposals submitted to the U.S. Government comply with Federal Acquisition Regulations (FAR), Cost Accounting Standards (CAS), and contract requirements where cost and pricing data are required. Information in our proposals must be current, accurate and complete as of the date for final agreement on price.

We must:

- » Record business transactions accurately and completely
- » Charge all costs to the right accounts
- » Track time accurately
- » Obtain proper authorization for payments

3. MAINTAIN A SAFE, HEALTHY WORKPLACE.

To ensure the safety and well being of everyone who works at MTS, we maintain a healthy, drug-free and environmentally responsible workplace. This includes complying with environmental, health and safety regulations, as well as personally embracing safe and environmentally sound behaviors wherever possible. It also includes promptly intervening when we witness a situation that may undermine workplace health and safety.

We must:

- » Report unsafe conditions, including those that undermine our commitment to the environment
- » Follow established operating procedures
- » Be mindful of coworkers and intervene before they do something unsafe
- » Know our responsibilities for protecting our health and the environment

4. FOLLOW THE LAWS AND RULES OF GLOBAL BUSINESS CONDUCT

MTS employees involved with global business transactions understand and comply with all applicable laws, including those outlined in the Foreign Corrupt Practices Act (FCPA). These laws prohibit bribes, kickbacks and place certain restrictions on the export and import of products and technical data.

We may only offer, give or receive gifts, favors and entertainment when they comply with applicable laws and MTS policies. MTS also does not participate in restrictive trade practices or illegal boycotts.

We must:

- » Know the laws that apply to global business practices
- » Comply with export and import requirements
- » Avoid restrictive trade practices or illegal boycotts
- » Consult a supervisor or MTS legal counsel before negotiating global transactions

5. AVOID CONFLICTS OF INTEREST

A conflict of interest exists any time we face a conflict between what is in our personal interest and what is in the interests of MTS. When a conflict of interest arises, it can make others question our integrity. It is important that we act in this company's best interests and act carefully to avoid even the appearance of behaving inappropriately.

We must:

- » Disclose any activities, financial interests, employment or relationships that may present a conflict of interest
- » Avoid taking corporate opportunities for ourselves that compete with the company



If in doubt, ask yourself:

- » Are my actions:
 - Legal?
 - Fair and honest?
 - Able to stand the test of time?
 - Something I'll feel good about afterwards?
 - An embarrassment to MTS if published in the newspaper?
- » Will I sleep soundly tonight?
- » What would I tell my child to do in this situation or how would I tell my children if they found out I did this?
- » Is this the right thing to do?
- » How would I feel if my family, friends, and neighbors knew what I was doing?
- » If it would not help me close this deal, would I still do this?

If you're not sure what to do, ask – and keep asking until you're certain you are doing right.

“ Ethics is knowing the difference between what you have a right to do and what is right to do. ”

– Potter Stewart, Associate Justice of the United States Supreme Court 1958 – 1981

6. MANAGE GIFTS AND GRATUITIES RESPONSIBLY

Gifts, favors or entertainment may only be offered, given and received when it is lawful, recognized and a customary courtesy intended to create goodwill with customers, suppliers or service providers. We never offer, give or receive anything of value to influence a government public official, supplier, service provider or business transaction, or to obtain unfair or improper competitive advantage.

The laws that apply to U.S. federal, state and local governments and global government agencies and employees, including those outlined in the Foreign Corrupt Practices Act (FCPA), are much stricter than those that apply to the commercial marketplace. Generally, we are only permitted to offer or give courtesies of little value — such as soft drinks or coffee — to employees of government entities, suppliers or service providers. We are expected to know the standards applicable to MTS business dealings and to exercise good judgment in our interactions with MTS customers.

“*You should be the change that you want to see in the world.*”

— Mahatma Gandhi

We must:

- » Know what customers consider standard conduct with respect to gifts and gratuities
- » Know what gifts and gratuities are standard practice in a given industry
- » Give and accept only modest, business-related gifts and entertainment (such as promotional items and meals with non-government customers) — and only if it is a common practice
- » Be mindful of the impressions gifts and gratuities make on others

7. PROTECT COMPANY AND CUSTOMER ASSETS

Proper management of company and customer assets is critical to the continued success of MTS. We must use and maintain these assets with absolute respect, and always receive the proper authorization before performing actions that impact them in any way.

We protect company assets such as cash, information, equipment, tools, electronic files and trademarks, and use them for the company's benefit. We often also use customer and supplier assets in the course of our business, and use them in accordance with each customer's policies and instructions.

We must:

- » Take responsibility for MTS assets
- » Keep proprietary information safe and secure
- » Comply with customer and supplier instructions for using their assets
- » Obtain proper authorization for any action involving MTS or customer assets

8. TREAT OTHERS WITH RESPECT

MTS is committed to fair employment practices and a workplace that encourages respect, honesty and integrity. Our language and behavior should always indicate our respect of others. We do not tolerate harassment, offensive behavior or discrimination in any form.

To promote a workplace of respect, we remain sensitive to how others perceive our actions. For example, we recognize that just because someone does not complain about something does not mean they accept or agree with it.

We must:

- » Be respectful of others at all times
- » Immediately report threats of physical violence to a supervisor, Human Resources, or MTS legal counsel
- » Appreciate our collective diversity of ideas, experiences and perspectives

“ *Our very lives depend on the ethics of strangers, and most of us are always strangers to other people.* ”

– Bill Moyers

9. REPORT CONCERNS WITH NO FEAR OF RETALIATION

Concerns about business ethics and compliance should be addressed immediately. When questions arise, do not hesitate to seek clarification and guidance from appropriate resources. As MTS employees, we can feel free to speak candidly and confidentially, without fear of reprisal. You may elect to remain anonymous when reporting a concern.

MTS investigates all reports promptly and takes appropriate action to resolve them. Resolution may involve disciplinary action or disclosures to a government agency. We are also required to cooperate with investigations. MTS prohibits retaliation against anyone who reports or helps resolve business ethics and compliance concerns.

We must:

- » Immediately raise questions and report violations
- » Cooperate with investigations
- » Know that retaliation will not be tolerated

“ *Truth and right are above utility in all realms of thought and action.* ”

– Charles William Eliot

HOW TO VOICE YOUR CONCERNS

The earlier a potential issue is addressed, the simpler it is to resolve. That is why we strongly encourage each MTS employee to immediately step forward to seek clarification and guidance from the appropriate resources.

We offer several points of contact for reporting violations and addressing business ethics and compliance concerns. Those include:

- » Your supervisor or other member of management
- » Your local MTS Ethics Committee
- » The MTS Business Ethics and Compliance Office: (+011) 952-937-4209
- » The MTS Office of General Counsel: (+011) 952-937-4286
- » The MTS AlertLine: Available all day every day online at <https://mts.alertline.com> and through dedicated phone numbers for these regions:

“ Integrity is doing the right thing, even if nobody is watching. ”

(author unknown)

Country	Direct Access Number	Alert Line Number
North America		888-321-5562
Asia		
China, PRC (Northern region)	108-888	888-321-5562
China, PRC (Southern region)	108-11	888-321-5562
Japan (KDDI)	00 539-111	888-321-5562
Japan (NTT)	0034-811-001	888-321-5562
Korea (Korea Telecom)	0072-911	888-321-5562
Europe		
France	0800-99-0011 or 0805-701-288	888-321-5562
Germany	0-800-2255-288	888-321-5562
Italy	800-172-444	888-321-5562
Sweden	020-799-111	888-321-5562
United Kingdom (BT)	0800-89-0011	888-321-5562
United Kingdom (C&W)	0500-89-0011	888-321-5562



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