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	Subject: Code of Conduct Policy All Employees	Page: 1 Of: 3	Location: Global	
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PURPOSE:

Photronics, Inc., employees and employees of its wholly owned and majority owned subsidiaries (collectively referred to as "Employees"), foreign and domestic (Photronics, Inc. and its subsidiaries collectively referred to as "Photronics"), will maintain high ethical standards in the conduct of its affairs. The intent of this policy is that each Employee will conduct the Company's business with integrity and comply with all applicable laws. This Code of Conduct policy supplements Photronics, Inc. Code of Conduct adopted on April 30, 2004 and shall apply to Photronics worldwide.

GENERAL POLICY GUIDELINES

1. CONFLICT OF INTEREST

A. Gifts, Payments, Favors

To ensure impartial business decisions, employees are prohibited from offering, accepting or soliciting for themselves or others gifts, payments, favors, property, service or other items of value without legitimate business purpose and where the intent of the offer is to influence conduct in the discharge of Company business. Judgment will be exercised using the following criteria when considering offer or receipt of gifts:

- a. They are consistent with customary business practice.
- b. They are sufficiently limited in value so as not to be construed as a bribe or payoff.
- c. They are not in violation of applicable laws and generally accepted ethical standards.
- d. Public disclosure will not embarrass the company.

B. Prohibited Personal Interests

All employees (and their immediate family members) must avoid any undisclosed personal, financial or family conflict of interest that could keep the employee from acting in Photronics best interest. Therefore, all employees must be sensitive to how their activities and relationships will be viewed by others.

The following are some examples of conflicts of interest:

- 1. having an undisclosed, substantial financial interest in a supplier, competitor, or customer by an employee or a member of the employee's family.
- 2. having an undisclosed interest in a transaction in which it is known Photronics is, or may be, interested.
- 3. receipt of undisclosed fees, commissions or other compensation from a supplier, competitor or customer of Photronics.
- 4. using Photronics assets or property for personal gain.

C. Disclosure of Actual or Potential Conflict of Interest

All Photronics employees are under a continuing obligation to make full disclosure as provided under section 6, Responsibility, below of all situations involving either actual or potential conflicts of interest, whenever such situations may arise. If Photronics determines that a conflict of interest exists, the employee may be asked to correct or remedy the situation immediately. Depending on the circumstances, an employee may be disciplined (which may include dismissal) for having engaged in conduct which constitutes a conflict or for failing to promptly disclose a situation involving an actual or potential interest.

2. SECURITIES TRADING

Photronics, Inc. stock is publicly traded in the United States, making Photronics subject to securities laws and regulations as well as the rules of the NASDAQ National Market Stock Exchange. The securities laws prohibit securities trading based on "insider information" which means "material" and "non-public" information. "Material" information is any information that an investor might consider important in deciding whether to buy, hold or sell securities. Information is considered to be "non-public" if it has not been disclosed to the public.

There will be occasions when an employee knows such inside information. In such cases, the employee is prohibited from trading Photronics securities if they are aware of "inside" information. Furthermore, such information must be held in the strictest confidence and must not be made available, either intentionally or inadvertently, to others who may profit from it.

Examples of information that may be "material" include financial results, financial forecasts, possible mergers or acquisitions, divestitures or joint ventures and information concerning important discoveries, important product developments, major litigation, major contracts and major changes in business direction.

3. STANDARDS OF BEHAVIOR

It is expected that all Photronics employees will conduct themselves in a professional, respectful manner in all interactions with each other and Photronics, suppliers and customers. Job related behavior must be consistent with ethical, fair and reasonable standards. Any employee whose conduct, actions or performance violates Photronics policies may be disciplined or dismissed. The following are some examples of inappropriate behavior subject to disciplinary action or dismissal.

- Violation of law.
- Poor or inappropriate performance of the job function.
- Falsifying an employment application, time sheet, personnel records or other Photronics documents.
- Unauthorized removal of Photronics property from the premises.
- Gambling or carrying weapons or explosives while on Photronics premises.
- Fighting or exhibiting other disorderly conduct which may endanger the safety of others while on Photronics premises.
- Excessive use of Photronics telephones or network for personal business.
- Habitual tardiness or absenteeism.
- Engaging in acts of dishonesty, fraud, theft or sabotage.
- Threatening, intimidating or using abusive language towards others in the workplace.
- Insubordination, refusal to comply with instructions or failure to perform reasonable duties which are assigned by a supervisor or manager.
- Smoking in non-smoking areas.
- Sleeping on the job.
- Possession of narcotics (unless prescribed by a certified physician) or illegal or dangerous drugs.
- Reporting to work under the influence of intoxicating beverages or dangerous drugs.
- Absence without notification.
- Violation of secrecy or confidentiality obligations to Photronics.
- Harassment, including sexual harassment.
- Damaging, tampering with or destroying Photronics property due to carelessness or willful acts.
- Engaging in such other practices as management determines may be inconsistent with the ordinary and reasonable rules of conduct necessary to maintain the welfare of Photronics and its employees.

This list is intended to be representative of the types of activities that may result in disciplinary action or dismissal. It is not exhaustive, is not intended to be comprehensive and does not change any employment-at-will relationship between the employee and Photronics.

4. PAYMENT TO GOVERNMENT OFFICERS

Photronics prohibits payments to government officials in the United States and the other countries in which it does business. Business customs vary in many countries in which Photronics does business. Employees who engage in international business are responsible for knowing and complying with both the laws and regulations of the countries in which those businesses operate and the U.S. laws and regulations that apply outside U.S. borders.

The U.S. Foreign Corrupt Practices Act (FCPA) prohibits payments to foreign government officials or their families to influence decisions regarding obtaining or retaining business. Furthermore, agents, distributors or consultants may not be used to circumvent this prohibition on direct payments. However, the FCPA does permit certain nominal payments in order to facilitate or expedite certain decisions. Please note, however, that while permitted by the FCPA, such payments may be illegal under local law. It is essential to consult the General Counsel of Photronics before making such payments or agreeing to third-party sales consultant arrangements.

5. COMPETITIVE CONDUCT

Photronics competes fairly to win its customers' business. Its actions in the marketplace are governed in many countries by law, often called "antitrust" or "competition" laws. These laws require that there be no agreements or understandings among competitors that affect prices or terms or conditions of sale, and that there be no other agreements or understandings unreasonably restraining full and fair competition. Photronics has had longstanding prohibitions of discussions or other communication with competitors regarding such matters as pricing, terms or conditions of sale and allocations of customers, territories or markets. The antitrust laws apply to many aspects of business behavior, and those employees who have any contact with competitors must be aware of them and their implications.

6. RESPONSIBILITY

All employees are under a continuing obligation to make full disclosure to their immediate supervisor, Human Resources, Photronics General Counsel or directly to the Audit Committee of the Board of Directors of all situations involving actual or potential conflicts of interest, unethical behavior or violations of law or Photronics policy.

An employee's actions under this policy are a significant indication of the individual's judgment and competence. Accordingly, those actions constitute an important element in the evaluation of an employee for position assignments and promotions. Violation of this policy will be grounds for disciplinary action or dismissal if and as appropriate.

Photronics, Inc. subsidiaries based outside of the United States may have individual requirements for conduct of its employees, and this Policy shall supplement such existing, local codes of conduct.