



## **Franklin Covey Co. Code of Business Conduct and Ethics**

### **1. Introduction**

The Board of Directors of Franklin Covey Co. (together with its subsidiaries, the “Company”) has adopted this Code of Business Conduct and Ethics (the “Code”) in order to:

- Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interests;
- Promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission (the "SEC") and in other public communications made by the Company;
- Promote compliance with applicable governmental laws, rules and regulations;
- Promote the protection of Company assets, including corporate opportunities and confidential information;
- Promote fair dealing practices;
- Deter wrongdoing; and
- Ensure accountability for adherence to the Code.

All directors, officers and employees are required to be familiar with the Code, comply with its provisions and report any suspected violations as described below in Section 9, Reporting and Enforcement.

Each director, officer and employee must act with integrity and observe the highest ethical standards of business conduct in their dealings with the Company’s customers, suppliers, partners, service providers, competitors, employees and anyone else with whom they have contact in the course of performing their job.

### **2. Complying With Law**

All employees, officers and directors of the Company should respect and comply with all of the laws, rules and regulations of the U.S. and other countries, and the states, counties, cities and other jurisdictions, in which the Company conducts its business, as well as all other laws, rules and regulations applicable to the Company. Such legal compliance should include, without limitation, compliance with the “insider trading” prohibitions applicable to the Company and its employees, officer and directors.

Generally, employees, officers and directors who have access to or knowledge of confidential or non- public information from or about the Company are not permitted to buy, sell or otherwise trade in the Company's securities, whether or not they are using or relying upon that information. This restriction extends to sharing or tipping others about such information, especially since the individuals receiving such information might utilize such information to trade in the Company's securities. In addition, the Company has implemented trading restrictions to reduce the risk, or appearance, of insider trading.

Company employees, officers and directors are directed to the Company's Insider Trading Policy, the Company's CFO, or to the Company's Legal Department if they have questions regarding the applicability of such insider trading prohibitions.

The Code of Business Conduct and Ethics does not summarize all laws, rules and regulations applicable to the Company and its employees, officers and directors. Please consult the Company's Legal Department and the various guidelines which the Company has prepared on specific laws, rules and regulations.

### **3. Conflicts Of Interest**

All employees, officers and directors of the Company should be scrupulous in avoiding a conflict of interest with regard to the Company's interests. A "conflict of interest" exists whenever an individual's private interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of the Company. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively, including, for example, having a personal client relationship with a financial institution with which the Company also does business. Conflicts of interest may also arise when an employee, officer or director, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company, whether received from the Company or a third party. Loans to, or guarantees of obligations of, employees, officers and directors and their respective family members may create conflicts of interest. Federal law prohibits loans to directors and executive officers. It is almost always a conflict of interest for a Company employee to work simultaneously for a competitor, customer or supplier. You are not allowed to work for a competitor as a consultant or board member. The best policy is to avoid any direct or indirect business connection with our customers, suppliers or competitors, except on our behalf.

Conflicts of interest may also arise when an individual has a personal relationship with other employees of the company, its customer, or its vendors. For example, potential conflicts may occur if individuals are related or in a personal relationship, and working under the same reporting structure. A potential conflict may also occur if an employee is related to, or in a personal relationship with, someone who holds political office or has decision-making authority within a government agency, school, or other organization with which FranklinCovey does business.

Conflicts of interest are prohibited as a matter of Company policy, except under guidelines approved by the Board of Directors or committees of the Board.

Conflicts of interest may not always be clear-cut. Directors and executive officers who have questions about a potential conflict of interest or who become aware of an actual or potential conflict should discuss the matter with, and seek a determination and prior authorization or approval from, the Nominating/Corporate Governance Committee.. Persons other than directors and executive officers who have questions about a potential conflict of interest or who become aware of an actual or potential conflict should discuss the matter with their supervisor and People Services. If the supervisor or People Services is involved in the potential or actual conflict, the matter should instead be discussed directly with the Chief Financial Officer. Any employee, officer or director who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in this Code Corporate Opportunity.

Employees, officers and directors are prohibited from (a) taking for themselves personally opportunities that properly belong to the Company or are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for personal gain; and (c) competing with the Company. Employees, officers and directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

#### **4. Confidentiality**

Employees, officers and directors of the Company must maintain the confidentiality of information entrusted to them by the Company or its suppliers or customers, except when disclosure is authorized by the Legal Department or required by laws, regulations or legal proceedings. Whenever feasible, employees, officers and directors should consult the Legal Department if they believe they have a legal obligation to disclose confidential information. Confidential information includes all non-public information that might be of use to competitors of the Company, or harmful to the Company or its customers if disclosed.

#### **5. Fair Dealing**

Each employee, officer and director should endeavor to deal fairly with the Company's customers, suppliers, competitors, officers, employees and anyone else with whom they have contact in the course of performing their job. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice. We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited.

## **6. Protection And Proper Use Of Company Assets**

All employees, officers and directors should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets should be used only for legitimate business purposes. Any suspected incident of fraud or theft should be reported for investigation immediately.

The obligation to protect Company assets includes the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business and marketing plans, designs, databases, records and any nonpublic financial data or reports. Unauthorized use or distribution of this information is prohibited and could also be illegal and result in civil or criminal penalties.

## **7. Accounting Complaints**

The Company's policy is to comply with all applicable financial reporting and accounting regulations applicable to the Company. If any employee, officer or director of the Company has concerns or complaints regarding questionable accounting or auditing matters of the Company, then he or she is encouraged to submit those concerns or complaints (anonymously, confidentially or otherwise) to the Audit Committee of the Board of Directors (which will, subject to its duties arising under applicable law, regulations and legal proceedings, treat such submissions confidentially). Such submissions may be directed to the attention of the Audit Committee, or any director who is a member of the Audit Committee, at the principal executive offices of the Company or may be submitted anonymously through the Company's silent whistle hotline (1-877-874-8416 or online at [www.silentwhistle.com](http://www.silentwhistle.com)).

## **8. Reporting and Enforcement**

### Reporting Procedures

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior and, when in doubt, about the best course of action in a particular situation. Employees, officers and directors who are concerned that violations of this Code or that other illegal or unethical conduct by employees of the Company have occurred or may occur should either contact their supervisor or superiors. If they do not believe it appropriate or are not comfortable approaching their supervisors or superiors about their concerns or complaints, then they may contact either the Legal Department of the Company or the Audit Committee or Nominating/Corporate Governance Committee of the Board of Directors of the Company ([lead.director@franklincovey.com](mailto:lead.director@franklincovey.com) or [audit.committee@franklincovey.com](mailto:audit.committee@franklincovey.com)). Actions prohibited by this Code involving directors or officers of the Company must be reported to the Audit Committee or Nominating/Corporate Governance Committee. If their concerns or complaints required confidentiality, including

keeping their identity anonymous, then this confidentiality will be protected, subject to applicable law, regulation or legal proceedings. After receiving a report of an alleged prohibited action, the Audit Committee, Nominating/Corporate Governance Committee, relevant supervisor, or relevant executive officer must promptly take all appropriate actions necessary to investigate. All directors, officers, and employees are expected to cooperate in any internal investigation of misconduct.

### Enforcement

The Company must ensure prompt and consistent action against violations of this Code. If, after investigating a report of an alleged prohibited action by a director or executive officer, the Audit Committee or Nominating/Corporate Governance Committee determines that a violation of this Code has occurred, such committee will report such determination to the Board of Directors. If, after investigating a report of an alleged prohibited action by any other person, the relevant supervisor or executive officer determines that a violation of this Code has occurred, the supervisor or executive officer will report such determination to the Legal Department. Upon receipt of a determination that there has been a violation of this Code, the Board of Directors or the or Legal Department will take such preventative or disciplinary action as it deems appropriate, including, but not limited to, reassignment, demotion, dismissal and, in the event of criminal conduct or other serious violations of the law, notification of appropriate governmental authorities.

### **9. No Retaliation**

The Company does not tolerate and will not permit retaliation of any kind by or on behalf of the Company and its employees, officers and directors against good faith reports or complaints of violations of this Code or other illegal or unethical conduct.

### **10. Public Company Reporting**

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission be accurate and timely. Depending on their position with the Company, an employee, officer or director may be called upon to provide necessary information to assure that the Company's public reports are complete, fair and understandable. The Company expects employees, officers and directors to take this responsibility very seriously and to provide prompt accurate answers to inquiries related to the Company's public disclosure requirements.

Each director, officer and employee who contributes in any way to the preparation or verification of the Company's financial statements and other financial information must ensure that the Company's books, records and accounts are accurately maintained. Each director, officer and employee must cooperate fully with the Company's accounting and internal audit departments, as well as the Company's independent public accountants and counsel.

Each director, officer and employee who is involved in the Company's disclosure process must (a) be familiar with and comply with the Company's disclosure controls and procedures and its internal control over financial reporting; and (b) take all necessary steps to ensure that all filings with the SEC and all other public communications about the financial and business condition of the Company provide full, fair, accurate, timely and understandable disclosure.

## **11. Amendment, Modification And Waiver**

This Code may be amended, modified or waived by the Board of Directors and any waiver of the Code for executive officers or directors may be granted only by the Nominating/Corporate Governance Committee, subject to the disclosure requirements and other provisions of the Securities Exchange Act of 1934, as amended, and the rules thereunder and the applicable rules of the New York Stock Exchange.

## **12. The U.S. Foreign Corrupt Practices Act**

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to foreign government officials or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country. In addition, the U.S. government has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules. The Company's Legal Department can provide guidance to you in this area.

## **13. Gifts**

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should be offered, given, provided or accepted by any Company employee, family member of an employee or agent unless it: (1) is not a cash gift or cash equivalents (such as gift cards), (2) is consistent with customary business practices, (3) is considered de minimus in value (less than \$100), (4) cannot be construed as a bribe or payoff and (5) does not violate any laws or regulations. Please discuss with your supervisor any gifts or proposed gifts. Client gift giving should generally be limited to \$25. All associates should familiarize themselves with client policies regarding gift-giving and adhere to any such practices.

#### **14. Records And Record Retention**

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation. Records should always be retained or destroyed according to the Company's record retention policies. In accordance with those policies, in the event of litigation or governmental investigation please consult the Company's Legal Department.

**ACKNOWLEDGEMENT OF RECEIPT AND REVIEW**

To be signed and returned to the Legal Department.

I, \_\_\_\_\_, acknowledge that I have received and read a copy of the Franklin Covey Co. Code of Business Conduct and Ethics (the “Code”). I understand the contents of the Code and I agree to comply with the policies and procedures set out in the Code.

I understand that I should approach the Legal Department, Audit Committee or Nominating/Corporate Governance Committee if I have any questions about the Code generally or any questions about reporting a suspected conflict of interest or other violation of the Code.

\_\_\_\_\_  
[Signature]

\_\_\_\_\_  
[Printed Name]

\_\_\_\_\_  
[Date]