

Polymer Group, Inc. and its Controlled Affiliates ("PGI" or the "Company")	Code of Conduct and Business Principles	Effective March 30, 2004 (as revised May 20, 2010)
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I. PGI Purpose Statement and Shared Values

PGI strives to be the premiere partner of choice for companies seeking materials that, in simplest terms, perform better and offer superior value.

We will achieve this by delivering outstanding customer satisfaction and innovative solutions that help our clients succeed.

We are committed to improving the way people work and live in the way we provide the highest quality products to customers in four markets around the world: hygiene, healthcare, wipes and industrial.

The contributions of our people will be recognized as the key to our success in achieving leadership and creating value for stakeholders.

PGI is bound by shared values that work together to give the organization its core strength. These are what unite our employees at all levels of the company. They're what customers may not see, but what they experience at every point of contact at PGI. They remind us of who we, as a leading global company, aspire to be. In order to achieve this mission, we will adhere to the following shared values:

1. Safety

- Complies with all environmental, health and safety laws and sets higher internal and external standards where unacceptable risks are identified
- Relentlessly pursues an incident free workplace
- Supplies and uses safe and reliable products and services
- Measures, assesses environmental health and safety knowledge and performance to improve our social responsibility.

2. Integrity

- Demonstrates honesty in behavior and actions
- Avoids conflicts of interest; declares situations where they may occur
- Expects integrity from customers, suppliers and others who do business with us
- Communicates openly with individuals and communities on issues that effect them

3. Trust

- Demonstrates the confidence in others to do their job; does not over-function
- Builds the system and processes that will allow others to succeed
- Makes ethical decisions
- Facilitates honest, open, and challenging conversations with each other and all stakeholders

4. Customer Relationships

- Builds strong long-term supportive relations to drive cooperation and business performance
- Works across functional, organizational, and/or geographic boundaries to proactively serve clients
- Develops and/or supports product brand identities
- Develops innovative product, service, process, and information solutions

5. Innovation

- Develops and fosters innovative products, services, information and business process solutions that can build new markets and meeting untapped customer needs
- Challenges convention and reinvents the way we do business to better win in the marketplace
- Seeks new opportunities, accepts risk, collaborates, and commits oneself to the organization beyond self-interest.
- Encourages learning from both our successes and our failures; encourages learning from mistakes
- Encourages and celebrates ideas and new way of doing things at all levels

6. Accountability

- Makes tough decisions; does not equivocate
- Holds oneself accountable; takes ownership of outcomes
- Reliable and consistent; Meets commitments
- Encourages an environment of empowerment and risk taking within the context of accountability
- Delivers solutions in his/her area of responsibility to improve current state

7. Team & Winning Spirit

- Treats people with respect
- Sense of Urgency for delivering customer expectations, Swift to adapt to change and drive performance
- Communicates openly as a positive team member to increase team performance
- Seeks to understand others' ideas, recommendations, and individual differences
- Both seeks and provides constructive feedback to others to improve individual and team performance

8. Excellence

- Demonstrates a healthy dissatisfaction with the status quo
- Benchmarks against the best and quickly closes the gaps
- Sets challenging goals
- Delivers on customer (internal and external) promises; does not make excuses
- Recognizes and rewards excellence in efficient processes, adding customer value, quality products, and problem solving.

II. General Statement of Purpose

The purpose of this Code of Conduct is to provide PGI's employees, consultants and officers (each referred to herein as an "employee") with basic guidelines for many ethical issues that often arise in the course of business. One of the Company's core values is Integrity. This has broad implications concerning how employees are to conduct business throughout this organization. This commitment to the ethical conduct of its affairs is fundamental to the Company's business philosophy.

Essential to the accomplishment of this objective is the unwavering conviction of all employees to uphold ethical standards in all corporate activities. All employees are expected to perform their work with honesty, truthfulness and integrity.

It is the policy of the Company to comply with all applicable laws and regulations in the various countries in which the Company conducts business, including, without limitation, employment, discrimination, health, safety, antitrust, securities and environmental laws. No officer, executive or manager of the Company has authority to violate any law or regulation or to direct another employee or any other person to violate any law or regulation on behalf of the Company.

Each employee and officer of the Company is responsible for the observance of this Code of Conduct. **However, if the Code of Conduct is in conflict with any local law or regulation, the local law or regulation will prevail. Employees with questions about this Code of Conduct, including questions about whether it conflicts with applicable local laws or regulations, should contact their immediate supervisor, a Human Resources representative, or the Law Department.**

If an employee becomes aware that another employee or third party doing business with the Company has violated this Code of Conduct, he or she is encouraged, and in some cases is required, to report it in accordance with the process established in Section XXIV below. No one has the authority to retaliate against any employee who in good faith reports a possible violation. Employees who fail to comply with any of the provisions of this Code of Conduct may be subject to disciplinary measures up to and including termination.

III. **Conflicts of Interest**

Conflicts of interest arise in situations where an employee's loyalties are divided between personal or business interests that, to some degree, are incompatible with or interfere with the interests of the Company. Employees should not knowingly place themselves in positions that are, have the appearance of being, or could be construed to be, in conflict with the best interests of the Company. Such conflicts should be avoided. **All such conflicts of interest, and in particular those related to the reliable and accurate financial reporting of the Company's performance, must be reported to the Law Department, the Audit Committee of the Board, or in accordance with the reporting process established in Section XXIV below.**

If you have outside interests, activities or employment that may be considered a conflict of interest, you should bring this situation to the attention of your supervisor, a Human Resources representative, or the Law Department.

For purposes of this Code of Conduct, the following do not constitute a conflict of interest or the appearance of a conflict of interest and are not reportable:

- A. Ownership of shares in mutual funds if the employee or parties related to the employee do not control the choice of stocks to be included in the mutual fund portfolio.

- B. Membership on boards of non-profit organizations (e.g., homeowner associations, parent-teacher associations, religious institutions, hobby clubs, professional associations)
- C. Receipt of any pension or other retirement benefit from the government of any country or any previous employer.

IV. Gifts and Entertainment

The Company's aim is to deter givers of gifts from seeking or receiving special favors from its employees.

A. Gifts

As a general rule, employees may not accept any favors, gifts, free services, discounts on personal purchases, trips, entertainment, tickets or special considerations of any kind that is of significant value, whether solicited or unsolicited, in connection with Company business activity. Significant value shall mean value in excess of US\$100. Employees who receive a gift of significant value must report it to their supervisor for determination as to disposition. In no event may employees accept cash gifts. Employees are to immediately report all offers of a gift of significant value to their supervisor and to a Human Resources representative. If there is any doubt as to the acceptability of an item that has been received, then the item should be returned or turned over to the Human Resources Department for appropriate disposition.

Any gift made on behalf of the Company to any customer or third party in excess of US\$100 must be approved by the employee's supervisor.

In some countries outside the United States, local customs may encourage the giving or exchange of gifts to customers or others on special occasions. In these countries, the giving of gifts that are lawful and appropriate is allowed, provided the action cannot be construed as seeking special favor. Where Company guidelines would not normally permit an employee to accept a specific gift, but a local custom outside the United States would make refusal of the gift awkward or insulting, the gift should be accepted, if lawful. The employee should immediately consult with a supervisor and/or Human Resources representative concerning the appropriate disposition of the gift.

B. Entertainment

Normal business entertainment such as meals, theater, a sporting event, and the like, is appropriate if of a reasonable nature and in the course of a meeting or another occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations with a customer or other appropriate third party. All expenses incurred by Company employees related to such entertainment in excess of US\$100 should be submitted in advance by the employee for approval by his or her supervisor. If circumstances do not permit prior approval, the employee should notify his or her supervisor promptly after incurring the expense.

V. Outside Employment

It is the policy of the Company that no employee is to have a "free-lance" or "moonlighting" employment activity that will materially encroach upon the time or attention which should be devoted to the employee's duties; adversely affect the quality of work performed; compete with the Company's activities; imply sponsorship or support by the Company of the outside employment or organization; or adversely affect the good name of the Company. Employees who free-lance or moonlight may not use Company time, facilities, resources, or supplies for such work.

No employee may work for suppliers, consultants related to the Company's field of interest, customers or competitors without the prior written approval of such employee's supervisor.

VI. Interests in Other Businesses

Unless approved in advance by the Human Resources Department or Law Department, neither an employee nor his or her spouse, domestic partner, or any other member of the employee's immediate family may directly or indirectly have a financial interest (whether as an investor, lender, employee or other service provider) in a competitor, customer or supplier with whom the employee or his or her subordinates deal directly or indirectly with that competitor, customer or supplier in the course of the employee's job with the Company unless such interest equals less than 1% ownership in a publicly traded company.

VII. Use of Company Property and Information

All employees are responsible for the proper use of the Company's physical resources and property, as well as its proprietary and other confidential information.

A. Company Property and Facilities

Company property, facilities or physical resources including, but not limited to Company communication systems (e.g. email, telephones, etc.) may not be used for solicitation or distribution activities which are not related to an employee's services to the Company, except for charitable activities that have been approved in advance by the employee's supervisor. See the Company's Non Solicitation Policy which governs such activity, which is available on the intranet under Resources / Files & Documents / PGI Policies, Procedures and Forms.

Employees found to be engaging in, or attempting, theft of any property of the Company, including documents, equipment, tools, office supplies, intellectual property, personal property of other employees, cash or any other items of value may be subject to immediate dismissal and possible criminal proceedings against them. Theft through any means, including without limitation, falsification of time cards, expense reports, workers compensation or insurance claims, will not be tolerated. All employees should report any actual or attempted property theft to a Company management representative, or in accordance with the reporting process established below, as soon as they become aware of it.

Employees' use of the Company's electronic communications systems (including all aspects of voice, video and data communications such as telephone, voice mail, electronic mail, facsimiles, all Internet browser capabilities, applications and mail, Company-issued cellular telephones, pagers, computer-like devices such as "Palm" computers, etc.) is governed by the Company's Electronic Communications Policy, which is available on the intranet under Resources / Files & Documents / PGI Policies, Procedures and Forms. Generally, the Company's electronic communications systems should only be used to conduct Company business.

B. Company Proprietary and Other Confidential Information

The Company operates in many different and extremely competitive markets. Every employee should be aware that in any competitive environment, proprietary information

and trade secrets must be safeguarded in the same way that all other important Company assets are protected. Company confidential information, including, without limitation, information concerning pricing, products, services and other such trade secrets, and information pertaining to any prospective Company acquisition or divestiture, must be held in the strictest confidence, and reasonable prudence and care should be exercised in dealing with such information in order to avoid inappropriate disclosure. Employee's should also be aware of and adhere to non-disclosure agreements with customers, suppliers, and other third parties doing business with the Company regarding such information. This information must not be used in any way other than as required in performing employment duties. All files, records and reports acquired or created in the course of employment are the property of the Company. Originals or copies of such documents may be removed from the Company's offices for the sole purpose of performing the employee's duties to the Company and must be returned at any time upon request and automatically at the time of the employee's separation from the Company.

PGI's policy is not to provide information that could be deemed confidential or proprietary to any third party unless a written agreement specifying the rights and obligations of all parties has been executed by an authorized representative of each party.

C. Trademarks, Service Marks and Copyrights

Trademarks and service marks - words, slogans, symbols, logos or other devices used to identify a particular source of goods or services - are important business tools and valuable assets that require care in their use and treatment. No employee may negotiate or enter into any agreement with respect to the Company's trademarks, service marks or logos without first consulting the Law or Intellectual Property Department. The Company also respects the trademark rights of others and any proposed name of a new product or service intended to be sold or rendered to customers must be submitted to the Law or Intellectual Property Department for clearance prior to its adoption and use. Similarly, use of the trademark or service mark of another company, even one with whom PGI has a business relationship, always requires clearance or approval by the Law or Intellectual Property Department to ensure the proper use of the other company's mark. Employees must avoid the unauthorized use of copyrighted materials of others and should confer with the Law or Intellectual Property Department if they have any questions regarding the permissibility of photocopying, excerpting, electronically copying or otherwise using such materials. In addition, simply because material is available for copying, such as matter downloaded from the Internet, does not mean that it is automatically permissible to copy or recirculate (by, for example, email or posting to an intranet facility). All copies of work that are authorized to be made available for ultimate distribution to the public, including all machine readable works such as computer software, must bear the prescribed form of copyright notice.

D. Patents, Inventions and other Intellectual Property

Patents protect new products, processes, equipment and compositions. Any new and useful or ornamental product, equipment, composition or process may be patented as long as it is adequately described and appropriately claimed in the patent. PGI's policy is to honor the valid patents of others, and PGI expects others to honor PGI's valid patents.

Prior to commercialization, all new products and processes must be cleared by the Intellectual Property Department to determine whether their commercialization infringes any valid patent held by a third party.

Employees may not use patents owned by PGI for their own personal use.

The Company is legally entitled to all rights in ideas, inventions and works of authorship relating to its business that are made by employees during the scope of their employment with the Company or using the resources of the Company (“Employee Developments”). As a condition of employment, employees are required to promptly disclose all Employee Developments to their supervisor, and to execute the necessary documentation to transfer all Employee Developments to the Company and to obtain legal protection for them.

VIII. Confidential Information Provided by Others

Any confidentiality agreement requested by a third party must be approved by the Law or Intellectual Property Department. Employees visiting the offices and plants of customers, suppliers and competitors should not sign visitor registration pads or papers that contain secrecy agreements or confidentiality clauses. Where secrecy or confidentiality agreements are necessary for such visits, an appropriately drafted agreement should be approved by the Law or Intellectual Property Department prior to the visit. Contracts with customers, suppliers, or third parties with confidentiality provisions should be approved by the Law or Intellectual Property Department prior to execution.

IX. Company Political Involvement

Employees are free to exercise their individual right to make political contributions to candidates of their choice. The Company will not reimburse any employee for political contributions, and employees should not attempt to receive or facilitate such reimbursements. To prevent a conflict of interest and assure compliance with applicable law, at *no* time may the Company’s name, information, property, time or other resources be used for political activities not specifically sponsored or approved by the Company.

X. Membership on For-Profit Boards

Membership on the board of directors of an outside for-profit organization that does not have a competitive or other commercial relationship or otherwise present a conflict of interest with the Company is permitted. Such service must not interfere with the employee’s ability to satisfactorily perform all aspects of his or her position for the Company.

XI. Securities Laws

Employees may not trade in (or even recommend) Company stock, or the stock of the Company’s suppliers, customers or competitors, based upon inside information. “Insider Trading” is the purchase or sale of a publicly traded security while in possession of important non-public information about the issuer of the security. Such information includes, for example, non-public information on Company earnings, significant gains or losses of business, or the hiring, firing or resignation of a Director or officer of the Company. Insider trading, as well as “tipping”, which is communicating such information to anyone who might use it to purchase or sell securities, are prohibited by the securities laws. When in doubt, information obtained as an employee of the Company should be presumed to be important and not public. Employees who have questions pertaining to the sale or purchase of a security under circumstances that might involve confidential information or securities laws should consult with the Law Department and their personal attorneys.

XII. Public Disclosures

All disclosures made in all periodic reports and documents filed with the U.S. Securities and Exchange Commission, and other public communications by the Company, are required to be full, fair, accurate, timely, and understandable. This obligation applies to all employees, including all financial executives, with any responsibility for the preparation of such reports, including drafting, reviewing, and signing or certifying the information contained therein. This requires operating in an environment of open communication and consultation, while not compromising proprietary and confidentiality concerns.

Any statements to shareholders, bondholders and/or the media (including press releases) or responses to inquiries from shareholders, bondholders and/or the media should be coordinated through the office of Global Communications. If the media inquiry relates to a pending or threatened legal matter, media communications should also be coordinated with the Law Department.

XIII. Books and Record Retention

A. Books

All employees with supervisory responsibility are to establish and implement appropriate internal financial controls over all areas of their responsibility to ensure the safeguarding of the assets of the Company and the accuracy of its records and reports. The Company has adopted controls in accordance with internal needs and the requirements of applicable laws and regulations. These established accounting practices and procedures must be followed to assure the complete and accurate recording of all transactions. All employees, within their areas of responsibility, are expected to adhere to these procedures, as directed by appropriate Company officers.

Any accounting adjustments that materially depart from United States generally accepted accounting principles must be approved by the Audit Committee of the Board of Directors and be reported to the Company's independent auditors. In addition, all material off-balance-sheet transactions, arrangements and obligations, contingent or otherwise, and other relationships of the Company with unconsolidated entities or other persons that may have material current or future effects on the financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources or significant components of revenues or expenses must be disclosed to the Audit Committee and the Company's independent auditors.

All of our accounting records, expense accounts, financial and research reports, time records and other records must clearly represent relevant facts and the true nature of a transaction. No one may alter, knowingly make misleading entries or falsify Company records. No employee may interfere with or seek to improperly influence, directly or indirectly, the auditing of the Company's financial records. Violations of these provisions are likely to result in disciplinary action, up to and including termination, and may also subject the violator to substantial civil and criminal liability.

If an employee becomes aware of any improper transaction or accounting practice concerning the resources of the Company, he or she should report the matter immediately to his or her supervisor and to the Audit Committee or in accordance with the reporting process established in Section XXIV below. There will be no retaliation against employees who disclose questionable accounting or auditing matters.

B. Record Retention

The space available for the storage of Company documents, both on paper and electronic media, is limited and expensive. Therefore, periodic discarding of documents is necessary. However, there are legal requirements that certain records be retained for specific periods of time. The Company Records Retention Policy contains specific details and guidance on this topic. This policy is available on the Company's intranet under Resources / Files & Documents / PGI Policies, Procedures & Forms.

In addition, the Law Department will provide written notice of any potential or actual claim, lawsuit, legal proceeding, governmental or internal corporate investigation that will result in the immediate suspension of record retention compliance activity. Failure to comply with such notice can subject employees and the Company to legal penalties and fines, loss of legal rights, obstruction of justice charges, spoliation of evidence claims, contempt of court charges, or otherwise seriously disadvantage the Company. Therefore, it is imperative that employees comply with such notices and immediately suspend record retention disposal of records that are within the scope of the notice.

XIV. Accurate Financial Reporting

The Company takes its obligation to provide accurate and timely reports of its financial performance very seriously. The integrity and independence of the Company's external auditors is critical to this process. Any employee who becomes aware of efforts to improperly influence or mislead the Company's auditors or of a conflict of interest between the Company and its auditors should immediately report these issues to the Company's Audit Committee or in accordance with the reporting process established below.

Employee concerns regarding any aspect of the Company's financial disclosures should be discussed with the appropriate representative within the Finance Department, the Law Department, the Audit Committee, or reported in accordance with the reporting process established below. Any employee who is contacted by another employee expressing concerns regarding questionable accounting or auditing matters must immediately report those concerns to the Audit Committee or in accordance with the reporting process established below.

XV. Antitrust Laws

Antitrust is a blanket term for laws that protect the free enterprise system and promote open and fair competition. Such laws exist in the United States, the European Union, and in many other countries where the Company does business. These laws deal with agreements and practices "in restraint of trade" such as price fixing and boycotting suppliers or customers, for example. They also bar pricing intended to run a competitor out of business; disparaging, misrepresenting, or harassing a competitor; stealing trade secrets; bribery; and kickbacks.

Antitrust laws are vigorously enforced. Violations may result in severe penalties such as forced sales of parts of businesses and significant fines against the Company. There may also be sanctions against individual employees including substantial fines and prison sentences. Employees must consult with the Law Department prior to negotiating with or entering into any arrangement with a competitor.

XVI. International Operations

Laws and customs vary throughout the world, but all employees must uphold the integrity of the Company in other nations as diligently as they would do so in the United States. When

conducting business in other countries, it is imperative that employees be sensitive to foreign legal requirements and United States laws that apply to foreign operations, including the Foreign Corrupt Practices Act. The Foreign Corrupt Practices Act applies to all employees and generally makes it unlawful to give anything of value to foreign government officials, foreign political parties, party officials, or candidates for public office for the purposes of obtaining, or retaining, business for the Company. See the Section “Bribery, Kickback and Fraud” (Section XVIII) below for additional information. Employees should contact the Law Department if they have any questions concerning a specific situation.

XVII. Relationships with Public Officials

Some employees may do business with federal, state or local government agencies. All employees engaged in business with a governmental body or agency must know and abide by the specific rules and regulations covering relations with public agencies. Such employees must also conduct themselves in a manner that avoids any dealings which might be perceived as attempts to influence public officials in the performance of their official duties.

XVIII. Bribery, Kickback and Fraud

No funds or assets of the Company (or an employee) shall be paid, loaned or otherwise disbursed as bribes, “kickbacks”, or other payments designed to influence or compromise the conduct of the recipient; and no employee of the Company shall accept any funds or other assets, for assisting in obtaining business or for securing special concessions from the Company. Employees must not engage in any activity which debases the reputation or integrity of the Company. To illustrate the strict ethical standard the Company expects every employee to maintain, the following conduct is expressly prohibited:

1. Payment or receipt of “kickbacks” for obtaining business for or from the Company; and
2. Payment of bribes to government officials to obtain favorable rulings.

Any employee found to be receiving, accepting, giving, or condoning, a bribe, kickback, or other unlawful payment, or attempting to initiate such activities, will be subject to termination and possible criminal proceedings against them. Any employee found to be attempting fraud or engaging in fraud, involving the Company, a customer, a vendor, or other applicable third party, will be subject to termination and possible criminal proceedings against them. All employees must report any actual or attempted bribery, kickback or fraud to the Law Department.

See “Gifts and Entertainment” (Section IV) above for a discussion of appropriate gift-giving.

The prohibitions in this section do not apply to rebates, discounts and similar credits that are customary in our industry and that are paid or received by the Company in the ordinary course of its business.

XIX. Sanctions and Trade Embargoes

The United States government, as well as the governments of other countries in which the Company has facilities and employees, use economic sanctions and trade embargoes to further various foreign policy and national security objectives. Employees must abide by all economic sanctions or trade embargoes that the United States has adopted, whether they apply to foreign countries, political organizations or particular foreign individuals and entities. This is true even though an employee may be based outside of the United States. Inquiries regarding whether a

transaction on behalf of the Company complies with applicable sanction and trade embargo programs are to be referred to the Law Department. Employees should also be alert to any business transaction that appears designed for a purpose other than legitimate business reasons, such as to circumvent these sanctions.

XX. Employment Policies

The Company is committed to fostering a work environment where all individuals are treated with respect and dignity. Each individual is entitled to work within a business-like atmosphere that promotes equal employment opportunities and does not condone discriminatory practices, including harassment. It is the Company's policy to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, national origin, religion, sex, age, disability, or any other status protected by law.

It is the Company's policy to comply with all applicable labor, employment, and wage and hour laws and other statutes regulating the employer-employee relationship and the workplace environment.

No Company employee may interfere with or retaliate against another employee who seeks to invoke his or her rights under the laws governing labor and employee relations. Employees with questions concerning the laws or Company policies governing labor and employee relations matters are to contact a local Human Resources representative.

XXI. Safety and Health

The Company is committed to providing a safe workplace for all employees. In addition, several laws and regulations impose responsibility on the Company to safeguard against safety and health hazards. For that reason, and to protect the safety of themselves and others, employees and other persons who are present at Company facilities are required to follow carefully all safety instructions and procedures that the Company adopts. Questions about possible health and safety hazards at any Company facility should be directed immediately to the employee's supervisor.

It is the Company's goal to maintain a drug-free workplace. All Company employees should be free of impairment due to alcohol or drugs upon reporting to work and during all working hours. Unauthorized possession or use of alcohol on Company property is prohibited. Use of alcohol off the Company's premises while on Company business is prohibited if such use results in either impairment of the employee's business judgment or job performance or placing the safety of the employee or others at risk. The Company and its employees shall comply with all applicable laws regarding the possession, use, sale, manufacture or distribution of illegal drugs.

XXII. Environmental Policy

The Company is committed to full compliance with both the spirit and the letter of all federal, state and local environmental statutes and regulations applicable to our business. In order to conduct our business in an environmentally responsible manner, each employee shall ensure that the Company will comply with all environmental laws and regulations in all of the countries in which we operate.

Managers have a special obligation to be aware of environmental, health and safety requirements and standards and to advise senior management of any issues which come to their

attention. All complaints received from any governmental agency alleging noncompliance with any environmental law or permit should be promptly reported to the Law Department.

XXIII. Compliance with the Code of Conduct

All employees have a responsibility to understand and follow the Code of Conduct. In addition, all employees are expected to perform their work with honesty and integrity in any areas not specifically addressed by the Code of Conduct.

No representation is expressed or implied that the policies stated herein are all the relevant policies nor that this is a comprehensive, full or complete explanation of the laws that are applicable to the Company and its employees. All employees have a continuing obligation to familiarize themselves with applicable law and Company policy.

The Company strongly encourages dialogue among employees and their supervisors to make everyone aware of situations that give rise to ethical questions and to articulate acceptable ways of handling those situations.

The Code of Conduct reflects general principles to guide employees in making ethical decisions and cannot and is not intended to address every specific situation. As such, nothing in this Code of Conduct prohibits or restricts the Company from taking any disciplinary action on any matter pertaining to employee conduct, whether or not it is expressly discussed in this document. **The Code of Conduct is not intended to create any express or implied contract with any employee or third party. In particular, nothing in this document creates any employment contract between the Company and any of its employees.**

The Board of Directors of the Company has the exclusive responsibility for the final interpretation of the Code of Conduct. The Code of Conduct may be revised, changed or amended at any time by the Board of Directors of the Company.

While some of these Company policies must be strictly adhered to and no exceptions can be allowed, in some cases, exceptions may be possible. For example, a minor conflict of interest may sometimes be resolved simply by disclosure of the potential conflict to all interested parties. Any employee who believes that an exception to any of these policies is appropriate in his or her case should contact his or her immediate supervisor. If the immediate supervisor agrees that an exception is warranted, the approval of the Board of Directors shall then be requested. Any material waiver of the Code of Conduct that is extended to the Company's principal executive or financial officers may be required to be promptly disclosed on the Company's website.

XXIV. Reporting Suspected Non-Compliance

A. General Policy

Because failure to report criminal acts can itself be understood to condone the crime, the importance of reporting such activity cannot be over-emphasized. Failure to report knowledge of wrongdoing may result in disciplinary action against those who fail to report.

B. Reporting Procedure

Notification of Violation - Information about known or suspected violations by any employee or agent should be reported promptly. Whenever practical, an employee should do so in writing. **Reports of violations may, where allowed by applicable local law, be made anonymously.** Violations should be reported to the Ethics Compliance Officer via one of the following confidential means of communication:

Call: 1-704-697-5100

Email: pgiethics@pginw.com

Write: Ethics Compliance Officer
Polymer Group, Inc.
9335 Harris Corners Parkway, Suite 300
Charlotte, NC 28269 USA

Fax: 1-704-697-5121

Matters concerning accounting, internal controls or auditing matters that are addressed to the Ethics Compliance Officer will be promptly communicated to the Audit Committee on a confidential basis.

PGI Values Line - If an employee does not want to use any of reporting options outlined above, the employee may call **PGI's Values Line at 1-800-779-3230**. Calls are taken by Global Compliance Services, a third party vendor, and will be handled on a confidential basis. A trained representative will document the employee's concerns and send a written report to the Company for investigation. The reporting employee is not required to give his or her name, however, he or she will be asked to provide information about where they work so the situation may be investigated. The reporting employee will be given a callback date so he or she can check the status of the investigation and respond to any follow-up questions.

The PGI Values Line is a direct access toll-free number from within the U.S. Callers from outside the U.S. need to use a two-step process to access the PGI Values Line. The first step is to enter a code to reach the U.S. telecom system. The second step is to dial the PGI Values Line number. The detailed instructions are as follows:

1. Dial the Access Code assigned to your country (to find this information, please visit the AT&T World Traveler website at <http://www.usa.att.com/traveler/index.jsp>).
2. After dialing the Access Code, the caller will reach the AT&T telecom system. Callers should then dial: 8007793230.

(NOTE: Please do not dial a "1" before dialing 8007793230)

Callers will be connected to the PGI Values Line Contact Center and the interview will begin. If an interpreter is needed, the caller may ask the operator to conference an interpreter.

Investigation - Reports of violations will be investigated under the Audit Committee's supervision. Employees are expected to cooperate in the investigation of reported violations.

Discipline – Any employee who is determined to have violated any of these policies may be subject to appropriate discipline, up to and including termination.

Protection Against Retaliation - Retaliation in any form against an individual who reports a known or suspected violation of this Code of Conduct or of law, even if the report is mistaken but made in good faith, or who assists in the investigation of a reported violation, is itself a serious violation of this policy. Acts of retaliation should be reported immediately and employees who commit such acts will be disciplined appropriately.