



# CODE OF BUSINESS CONDUCT AND ETHICS

## PAPA MURPHY'S CODE OF BUSINESS CONDUCT AND ETHICS

### I. GENERAL STATEMENT OF BUSINESS PHILOSOPHY

Commitment to excellence is fundamental to the philosophy of Papa Murphy's Holdings, Inc., and its affiliated companies and subsidiaries (collectively, "Papa Murphy's" or the "Company"). Essential to this commitment is upholding legal and ethical standards in all our business practices and corporate activities. These standards apply to all the Company's activities in every market that it serves.

This Code of Business Conduct and Ethics (this "Code") is designed to promote honest, ethical and lawful conduct of all employees, officers and directors of Papa Murphy's and full, fair, accurate, timely and transparent disclosure, and compliance with applicable laws, rules and regulations.

This Code is intended to help you understand the Company's standards of legal and ethical business practices and to make you aware of ethical and legal issues that you may encounter in carrying out your responsibilities at Papa Murphy's. The actions of every employee, officer and director affect the reputation and integrity of Papa Murphy's, and we expect all of our employees, officers and directors to perform their responsibilities with honesty, truthfulness and integrity. Along these lines, we strive to do business with companies, franchise owners, vendors, suppliers and other business associates that follow similar high standards. All employees, officers and directors of Papa Murphy's will be held responsible for familiarity with and the observance of this Code.

This Code also applies to each of the Company's directors, employees and officers, including officers of Papa Murphy's having any or all of the following responsibilities and/or authority, regardless of formal title: the principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions (the "CEO and Senior Financial Officers").

This Code is part of a broader set of Papa Murphy's policies and compliance procedures.

At all times, you are expected to:

- **Engage in and promote honest and ethical conduct**, including **avoiding actual, or apparent conflicts of interest** between personal and professional interests whenever possible;
- **Disclose any conflict** to a supervisor or the Legal Department and otherwise **pursue the ethical handling of conflicts** (whether actual or apparent) when conflicts or the appearance of conflicts are unavoidable;
- **Provide accurate and complete information** in the course of fulfilling your obligations and communicate information in a timely manner;
- **Provide full, fair, accurate, timely, and understandable disclosure** in the periodic reports required to be filed by Papa Murphy's with regulators (including the Securities and Exchange Commission (the "SEC")) and in other public communications made by Papa Murphy's;
- **Comply with all applicable laws, regulations and Papa Murphy's policies;**
- **Seek guidance** where necessary from a responsible supervisor;
- **Promptly report any violations** of this Code to your supervisor, Human Resources or the Legal Department.

**Be accountable personally** for adherence to this Code.

## WHO DO I CONTACT FOR GUIDANCE OR TO REPORT CONCERNS?

If you believe a situation may involve or lead to a violation of this Code or are aware of any violation of this Code, please seek guidance and report your concerns in accordance with this Code:

- **Seek Guidance.** Seek guidance from a responsible supervisor (for example, your immediate supervisor, a department head or location manager) or other appropriate authority (for example, your local Human Resources representative or compliance officer).
- **Report Concerns to a Supervisor, Manager or Your Human Resources Representative.** The most direct way to raise any concern is to speak to a supervisor, manager or your Human Resources representative. They, in turn, will communicate the concern to the Legal Department for review as described below. **All supervisors must report any concerns or complaints to the Legal Department.**
- **Use the Hotline.** Reports may also be made through the Company's Hotline. The Hotline is operated by an outside, independent service provider. The Hotline is a secure, confidential reporting system available 24 hours a day, 7 days a week. Calls are free, confidential and may be made anonymously. The service provider will promptly report in writing all information provided by the person raising the concern to the Chief Legal Officer for preliminary review.
- **Report to the Legal Department.** Concerns may be reported to the Legal Department.
- **Accounting or Audit Concerns.** In addition, reports related to accounting or auditing concerns may be made in writing to the Chairman of the Audit Committee. Any correspondence to the Chairman of the Audit Committee shall be clearly marked as an urgent matter for consideration by the Audit Committee.
- **Policy Against Retaliation.** Individuals reporting violations or suspected violations of the Code are protected from retaliation in their employment for making a report.

### HOTLINE:

Telephone: 866-860-8110, or  
Email: [FRSH@openboard.info](mailto:FRSH@openboard.info), or  
Report via the Web at: <http://www.openboard.info/FRSH/>

### LEGAL DEPARTMENT

Chief Legal Officer - Victoria T. Blackwell, 360-449-4122

### AUDIT COMMITTEE:

Papa Murphy's Audit Committee  
Attn: Chairman  
8000 NE Parkway Drive, Suite 350  
Vancouver, WA 98662

No policy can provide definitive answers to all questions. It is difficult to anticipate every decision or action that you may face or consider. **Whenever there is doubt about the right ethical or legal choice to make, or questions regarding any of the standards discussed or policies referenced in this Code, you should fully disclose the circumstances, seek guidance about the right thing to do, and keep asking until guidance is obtained.**

## II. POLICIES AND PRACTICES

### A. Conflicts of Interest

A conflict of interest may arise in any situation in which an employee's loyalties are divided between business interests that, to some degree, are incompatible with the interests of Papa Murphy's. All such conflicts should be avoided. Where avoidance of a conflict is not feasible, you must disclose the nature of the conflict to a responsible supervisor, the Legal Department or other appropriate internal authority as soon as possible. Even the appearance of a conflict of interest may impair the confidence in, or the reputation of, Papa Murphy's even if there is no actual conflict and no wrongdoing. While it is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, a conflict of interest may arise whenever you take action or have interests that may make it difficult to perform your work objectively or effectively or when you (or an immediate family member (as defined below)) receive improper personal benefits as a result of your position or relationship with respect to Papa Murphy's.

Where there is a real or perceived conflict of interest involving a director or executive officer of Papa Murphy's, the matter should be referred to the Chairman of the Audit Committee. For directors and executive officers, the Company's policy is that conflicts of interest should be avoided, except as approved by the Audit Committee. In the case of directors and officers of Papa Murphy's, conflict of interest transactions may also be subject to the Company's Related Person Transaction Policy.

An "immediate family member" includes any child, stepchild, grandchild, parent, stepparent, grandparent, sibling, mother- or father-in-law, son- or daughter-in-law, or brother- or sister-in-law (as well as other adoptive relationships) and any person (other than a tenant or employee) sharing your household.

1. Gifts and Entertainment. We seek to deter givers of gifts from seeking or receiving special favors from the Company's employees. Accepting any gift of more than nominal value or entertainment that is more than a routine social amenity can appear to be an attempt to influence the recipient into favoring a third party, such as a vendor, supplier, franchise owner or consultant. To avoid improper relations (or the appearance thereof) with current or prospective vendors, suppliers, franchise owners and consultants, you should observe the following guidelines when deciding whether to accept gifts or entertainment:

a. Gifts. You and your immediate family members are prohibited from requesting, accepting or offering any form of under-the-table payment, kickback, bribe, rebate, barter or other improper payment or gratuity in connection with any corporate expenditure or sale of goods or services. Gifts, such as merchandise or products, as well as personal services or favors, may not be accepted unless they have a value of less than \$100. This dollar limit is intended to serve as a guideline, and employees are urged to consult with the Legal Department before accepting any gifts of more than nominal value. Gifts of any amount may never be solicited. A gift of cash or securities may never be accepted. If approached with such an offer, you should contact your supervisor or the Legal Department or other appropriate internal authority immediately. See also "Bribery, Kickback and Fraud" below.

b. Entertainment. Normal business entertainment, such as lunch, dinner, theater or a sporting event, is appropriate if such entertainment is of a reasonable nature and the

purpose of such event or meeting is to hold bona fide business discussions or foster better business relations. You should report such entertainment (in advance, if practical) to your supervisor. You may not accept tickets or invitations to entertainment if the prospective host will not be present at the event with you.

Members of our Supply Chain Group are subject to additional specific requirements, and they must read and sign their departmental ethics policy.

2. Outside Employment/Activities. The Company's employees and officers are expected to devote their full time and attention to the Company's business during regular working hours and for whatever additional time may be required. Outside business activities can easily create conflicts of interest or diminish productivity and effectiveness. For these reasons, it is the policy of Papa Murphy's that no employee is to have a "free-lance" or "moonlighting" activity that will materially encroach on the time or attention which should be devoted to the employee's duties to Papa Murphy's; adversely affect the quality of work performed for Papa Murphy's; compete with the Company's activities; imply sponsorship or support by Papa Murphy's of the outside employment or organization; or adversely affect the good name of Papa Murphy's.

3. Membership on Boards and Committees. You must obtain approval from the Company's Legal Department (or, in the case of officers and directors, the Company's Board of Directors (the "Board")) before agreeing to serve on the board of directors or similar body of a for-profit enterprise or government agency.

Serving on boards of not-for-profit or community organizations does not require prior approval. However, if service with a not-for-profit or community organization creates a situation that poses a conflict of interest with Papa Murphy's (for example, the organization solicits charitable contributions from Papa Murphy's or purchases significant services from Papa Murphy's), you should contact the Company's Legal Department for approval prior to accepting such position or to continue such service.

4. Interests in Other Businesses. Unless approved in advance by your supervisor, neither you nor any of your immediate family members may directly or indirectly have a financial interest (whether as an investor, lender, employee or other service provider) in a competitor, or in a vendor or supplier if you or your subordinates deal directly or indirectly with that vendor or supplier in the course of your job with Papa Murphy's.

5. Protection and Proper Use of the Company's 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. Unless otherwise prohibited by an employee's supervisor, reasonable incidental use of a Papa Murphy's telephone, computer or other equipment is permitted. More specific policies may also cover use of such property and information, including the Company's Mobile Computing Policy.

a. The Company's Property and Facilities. The Company's assets, property, facilities and physical resources may only be used for business purposes and such other purposes as are approved by Papa Murphy's and may not be used for solicitation or distribution activities that are not related to your responsibilities to Papa Murphy's (except for charitable activities that have been approved in writing in advance by Papa Murphy's). You must not take, make use of, or knowingly misappropriate the Company's assets for personal use, for use by another, or for an

improper or illegal purpose. You are not permitted to remove, dispose of, or destroy anything of value to Papa Murphy's without the company's express prior written consent, including both physical items and electronic information. You may not solicit any other employee during working time, nor may you distribute literature in work areas at any time. Persons not employed by Papa Murphy's may not solicit Papa Murphy's employees for any purposes on the Company's premises.

Any employee found to be engaging in, or attempting, theft of any Papa Murphy's property, including documents, equipment, intellectual property, personal property of other employees, cash or any other items of value, will be subject to disciplinary action, including immediate termination, and possible criminal proceedings against them. All employees have a responsibility to report any theft or attempted theft to the Company's management.

b. The Company's Proprietary and Other Confidential Information. Papa Murphy's 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. Information concerning pricing, products and services that are being developed, and other such trade secrets, including information pertaining to any prospective Papa Murphy's acquisitions or divestitures, must be held in the strictest confidence, and reasonable prudence and care should be exercised in dealing with such information in order to avoid inadvertent inappropriate disclosure. 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 Papa Murphy's. Originals or copies of such documents may be removed from the Company's offices for the sole purpose of performing your responsibilities to Papa Murphy's and must be returned at any time upon request.

c. Trademarks, Service Marks and Copyrights. The intellectual property of Papa Murphy's, which includes 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 regarding the Company's intellectual property without first obtaining approval from the Legal Department. Papa Murphy's also respects the intellectual property rights of others, and any proposed name of a new product or service intended to be sold or provided to customers must be submitted to the Legal Department for clearance prior to its adoption and use. Similarly, using the intellectual property of another company, even one with whom Papa Murphy's has a business relationship, always requires clearance or approval by our Legal Department, to ensure that the use of that other company's mark is proper.

You must avoid the unauthorized use of copyrighted materials of others and should confer with the Legal Department if you have any questions regarding the permissibility of photocopying, excerpting, electronically copying or otherwise using copyrighted 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 is 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.

Papa Murphy's is legally entitled to all rights to ideas, inventions and works of authorship relating to its business that are developed by employees during the scope of their employment with us or while using our resources ("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 Papa Murphy's to evidence their ownership, or to obtain legal protection for them.

6. Corporate Opportunities. All directors, officers and employees of Papa Murphy's owe a duty to advance Papa Murphy's interests when the opportunity arises. You must not, for personal or any other person's or entity's gain (including without limitation, for the gain of any friend or family member), deprive Papa Murphy's of any business opportunity which could be construed as related to any existing or reasonably anticipated future activity of Papa Murphy's. If you learn of any such opportunity through your association with Papa Murphy's and/or through the use of the Company's assets, property, information or position, you may not disclose it to a third party or invest in the opportunity without first offering it to Papa Murphy's. Nor should you use any Papa Murphy's property, information or position for personal gain.

7. Political Contributions and Activities. In the United States, federal and many state laws prohibit corporations from making certain types of political contributions. No direct or indirect political contribution (including the use of Papa Murphy's property, equipment, funds or other assets) of any kind may be made in the name of Papa Murphy's, or by using the Company's funds, unless the Company's Legal Department has certified in writing that such political contribution complies with applicable law. If such certification is obtained, such contributions shall be by Papa Murphy's check or electronic transfer to the order of the political candidate or party involved, or by such other means as will readily enable Papa Murphy's to verify, at any given time, the amount and origin of the contribution.

You are free to exercise your right to make political contributions within legal limits, unless such a contribution is otherwise prohibited by other provisions of this Code. Papa Murphy's will not reimburse any employee for political contributions, and you should not attempt to receive or facilitate such reimbursements. Generally, no contribution should be made with the expectation of favorable government treatment in return. In the United States, contributions are subject to a series of complex laws governing the amount of, and manner in which, contributions may be made.

8. Loans and Guarantees. You and your immediate family members must not accept loans or guarantees of obligations from any individual, organization or entity doing or seeking to do business with Papa Murphy's (except from banks or other entities that provide such services in the normal course and at arms' length). You should report any offer of such a loan or guarantee to a responsible supervisor, the Legal Department or other appropriate internal authority.

9. Confidential Information/Privacy. If you are entrusted with information of a confidential or proprietary nature (about Papa Murphy's, its vendors, suppliers, franchise owners, customers or other constituents), you must not disclose that information outside Papa Murphy's, either during or after service with Papa Murphy's, except with written authorization of Papa Murphy's or as may be otherwise required by law. You may not use confidential information for your own personal benefit or the benefit of persons or entities outside Papa Murphy's.

## B. Compliance with Laws, Rules and Regulations

The Company's policy is to comply with all applicable laws, rules and regulations, including, without limitation, employment, discrimination, health, safety, antitrust, securities and environmental laws. Violation of domestic or foreign laws and regulations may subject you, as well as Papa Murphy's, to civil and/or criminal penalties. To assure compliance with applicable laws and regulations, Papa Murphy's has established various policies and procedures, including the Company's Policy on Insider Trading and Communication with the Public and the Company's Related Person Transactions Policy.

Certain legal obligations and policies that are particularly important to our business and reputation are summarized below. Although not all employees, officers and directors are expected to know the details of all applicable laws, rules and regulations, it is important to know enough to determine when to seek advice from appropriate personnel. Further information on any of these matters may be obtained from the Company's Legal Department.

1. Insider Trading and Fair Disclosure. Trading in securities of Papa Murphy's or any other company while aware of material non-public information relating to that company, or "tipping" others to trade, is both unethical and illegal. Accordingly, you and any of your immediate family members, business associates or controlled investment vehicles must not: (a) trade securities of Papa Murphy's or any other company while aware of material non-public information with respect to that company; (b) communicate to anyone outside Papa Murphy's material non-public information of any company of which you are aware (this includes formal or informal advice given to family, household members and friends); or (c) disclose material non-public information to anyone, other than those persons who need to know such information in order for Papa Murphy's to properly and effectively carry out its business (e.g., to lawyers, advisers and other Papa Murphy's employees working on the matter).

Material non-public information is any information that has not been disclosed broadly to the marketplace and, if made public, would be likely to be considered important by investors deciding whether to trade Papa Murphy's shares or other listed securities (e.g., earnings estimates, significant business investments, mergers, acquisitions, dispositions and other developments, expansion or curtailment of operations, and other activity of significance including matters which affect the market in which Papa Murphy's operates).

Certain designated key employees, executive officers and directors of Papa Murphy's (and any of their immediate family members and controlled entities), are subject to the Company's blackout policy and pre-clearance procedures, which are set forth in the Company's Policy on Insider Trading and Communications with the Public. You are required to comply with the Company's Policy on Insider Trading and Communications with the Public, which provides far greater detail on these prohibitions.

Any questions as to whether information is material or non-public should be directed to the Company's Legal Department.

### 2. Trade Practices.

a. Fair Dealing. You should deal fairly with Papa Murphy's suppliers, vendors, franchise owners, customers, service providers, competitors, employees and anyone else with

whom you have contact in the course of performing your job or otherwise serving Papa Murphy's. You must not take unfair advantage through manipulation, concealment, abuse of privileged information, misrepresentation of facts, or any other unfair-dealing practice. We respect the confidentiality and privacy of our vendors, suppliers and customers. Information about the Company's suppliers, vendors, franchise owners, customers, competitors and employees must be used in an ethical manner and in compliance with the law. Under no circumstance should information be obtained through theft, illegal entry, blackmail, or electronic eavesdropping, or through misrepresenting your identity or affiliation (or lack of affiliation) with Papa Murphy's. Similarly, you must respect and protect any confidential or proprietary information shared with Papa Murphy's unless disclosure is necessary to comply with statutory requirements, subpoenas, court orders or other lawful process or properly authorized government investigations.

Customers and potential customers are entitled to receive accurate information regarding prices, capabilities, terms and scheduling. Papa Murphy's strives to produce advertisements that are fair, accurate and lawful. False or misleading statements to sell or market the Company's products are to be strictly avoided. Immediate efforts should be made to correct any misunderstanding that may exist with a customer or potential customer.

b. Antitrust Compliance. Federal, state and many foreign governments have antitrust laws that prohibit agreements among companies that fix prices, divide markets, limit production or otherwise interfere with the competitive operation of the free marketplace. All officers, directors and employees must comply with the laws of every nation, state and community in which Papa Murphy's conducts business that govern trade and competition. In the United States and some other jurisdictions, violations of the antitrust laws can lead to substantial civil or criminal liability. Antitrust and trade regulation issues are very complex. Determining what actions unreasonably restrain trade or are otherwise improper will depend on the structure of the market and a number of other factors. **Whenever any doubt exists as to the legality of any communication, action, arrangement or transaction, please contact the Legal Department immediately.**

3. International Operations. Laws and customs vary around the world, but all employees must uphold the integrity of Papa Murphy's in other nations as diligently as they would in the United States. When conducting business in other countries, it is imperative that you be familiar with, and strictly adhere to, all applicable foreign and domestic laws and regulations and United States laws that apply to foreign operations, including the Foreign Corrupt Practices Act (the "FCPA") and similar foreign anticorruption laws. These laws include export control and licensing laws, economic sanctions, anti-boycott laws, and various laws regulating the transnational movement of technology, goods and services. Employees should contact the Legal Department if they have any questions concerning a specific situation. See "Bribery and Other Corrupt Practices."

4. Relationships with Public Officials. Some employees 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.

5. Anti-Bribery and Anti-Corruption Policies. No person subject to this Code shall pay, loan or otherwise disburse bribes, “kickbacks,” or other payments designed to influence or compromise the conduct of the recipient; and no person subject to this Code shall accept any funds or other assets (including those provided as preferential treatment to the employee for fulfilling their responsibilities), for assisting in obtaining business or for securing concessions from Papa Murphy’s.

In addition, to ensure compliance with the FCPA and similar foreign anti-corruption laws, Papa Murphy’s strictly prohibits giving or promising, directly or indirectly, anything of value to any employee or official of a government (including state-owned companies) or a political party, candidate for office, or to any person performing public duties or state functions in order to obtain or retain business or to secure an improper advantage with respect to any aspect of Papa Murphy’s business. Improper payments are defined expansively to include payments, both direct and indirect (for example, through agents or contractors), gifts, entertainment, and certain travel expenses.

Although local law may permit gift-giving or the payment of entertainment expenses and some anti-bribery laws may permit, in narrow circumstances, small “facilitation” payments to expedite the routine performance of legitimate duties, any question as to whether a gift or payment would be considered improper under the Company’s guidelines or national or foreign laws must be discussed with, and approved by, the Company’s Legal Department.

In retaining agents, consultants, independent contractors or other representatives, adequate background checks and verification of business credentials is required. Any payments to such individuals must be accurately described in the Company’s books, financial records, and reports. Some “red flags” to look out for include:

- Third parties with family or other relationships that could influence the decision;
- Independent contractors or consultants with a reputation for bribes;
- A history of corruption in the country where the third party is being hired;
- Unusually high commission requests;
- A sales representative or agent who approaches you near the award of a contract and indicates a “special arrangement” with an official;
- A customer who suggests that a Papa Murphy’s bid be made through a specific agent or representative; or
- A request to mischaracterize the nature of a payment to a contractor or consultant.

Any employee found to be (i) receiving, accepting or condoning a bribe, kickback, or other unlawful payment (or attempting to initiate such activities), or (ii) attempting or committing fraud, will be subject to termination and possible criminal proceedings.

6. Anti-Money Laundering. Employees should avoid business relationships with suppliers or vendors that may be engaged in money laundering. “Money laundering” is the process by which persons or groups try to conceal the proceeds of illegal activities or try to make the source of illegal funds look legitimate. Employees should always ensure that they are conducting business with reputable customers, for legitimate business purposes, with legitimate funds. Check for “red flags” such as requests from a supplier or vendor for cash payments or other suspicious payment terms.

7. Respecting Sanctions and Trade Embargoes. The United States government uses 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. Questions regarding whether a transaction complies with applicable sanction and trade embargo programs should be referred to the Legal Department.

### C. Accounting Practices; Books and Records

All employees with supervisory duties should establish and implement appropriate internal accounting controls over all areas of their responsibility to ensure the safeguarding of the assets of Papa Murphy's and the accuracy of its books, financial records and reports. Papa Murphy's 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 Papa Murphy's officers. This is critical to our ability to make responsible business decisions and foster investor trust.

**All employees, officers and directors – and, in particular, the chief executive officer, the chief financial officer, the controller and the principal accounting officer – have a responsibility to ensure that the Company's accounting records do not contain any false or misleading entries.**

You are expected to support the Company's efforts in fully and fairly disclosing the financial condition of Papa Murphy's in compliance with applicable accounting principles, laws, rules and regulations and making full, fair, accurate timely and understandable disclosure in our periodic reports filed with the SEC and in other communications to securities analysts, rating agencies and investors. The Company's accounting records are relied upon to produce reports for the Company's management, rating agencies, investors, creditors, governmental agencies and others. Our financial statements and the books and records on which they are based must accurately reflect all corporate transactions and conform to all legal and accounting requirements and our system of internal controls.

Any accounting adjustments that materially depart from U.S. Generally Accepted Accounting Principles (GAAP) must be approved by the Audit Committee and 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 Papa Murphy's 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.

You may not interfere with or seek to improperly influence, directly or indirectly, coerce, manipulate, mislead or withhold information from the Company's independent public auditors or the audit of the Company's financial records. Violation of these provisions shall result in disciplinary action, up to and including termination, and may also subject the violator to substantial civil and criminal liability.

If you become aware of any improper transaction or accounting practice or any deficiency in the Company's internal controls over financial reporting and/or disclosure controls and procedures for preparing SEC reports or other public communication of Papa Murphy's, you should report the matter immediately to your supervisor, the Chief Legal Officer or the Audit Committee Chair, as appropriate. Employees may also file a confidential, anonymous complaint using the hotline number provided in this Code if they have information regarding questionable accounting or auditing matters. There will be no retaliation against employees who disclose questionable accounting or auditing matters.

Laws and regulations require the Company's records, including its financial, environmental, health and safety, human resources, research and development, analytical, engineering and intellectual property records, to accurately reflect the events they represent. Always record data in a timely and accurate manner. This protects the Company's resources and meets the expectations of the people who rely on the accuracy of the Company's records to perform their jobs. Falsifying business records is a serious offense, which may result in criminal prosecution, civil action and/or disciplinary action up to and including termination of employment. If you are authorized to make expenditures or enter into transactions on behalf of Papa Murphy's, you must ensure that the applicable records comply with the Company's accounting and purchasing policies and that all transactions are recorded properly.

Consistent with the reporting and recordkeeping commitments discussed above, you should accurately and truthfully complete all records used to determine compensation or expense reimbursement. This includes, among other items, reporting of hours worked (including overtime), reimbursable expenses (including travel and meals), and sales activity.

#### **D. Employment Policies**

Papa Murphy's is committed to fostering a work environment in which all individuals are treated with respect and dignity. Each individual should be permitted to work in a business-like atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment. Therefore, Papa Murphy's expects that all relationships among people in the workplace will be business-like and free of unlawful bias, prejudice and harassment. The Company's policy is 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. The Company's Non-Discrimination Policy and Anti-Harassment Policy is contained in the employee handbook.

The Company's policy is to comply with all applicable wage and hour laws and other statutes regulating the employer-employee relationship and the workplace environment. No Papa Murphy's 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. If any employee has any questions about the laws or the Company's policies governing labor and employee relations matters, he or she should consult the employee handbook or contact the Human Resources Department or the Legal Department.

Papa Murphy's is committed to providing a safe workplace for all employees. In addition, several laws and regulations impose responsibility on Papa Murphy's 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 Papa Murphy's facilities are required to follow carefully all safety

instructions and procedures that Papa Murphy's adopts. Questions about possible health and safety hazards at any Papa Murphy's facility should be directed immediately to the employee's supervisor.

Papa Murphy's is committed to providing a drug-free work environment. The illegal possession, distribution, or use of any controlled substances on Papa Murphy's premises or at Papa Murphy's functions is strictly prohibited. Similarly, reporting to work under the influence of any illegal drug or alcohol and the abuse of alcohol or medications in the workplace is not in the Company's best interest and violates this Code.

## E. Computer, E-mail and Internet Policies

Every employee is responsible for using the Company's computer system, including, without limitation, its electronic mail (Email) system and the Internet (collectively, the "Computer System"), properly and in accordance with the Company's policies. The Papa Murphy's electronic communication and information security policies are contained in the employee handbook. Any questions about these policies should be addressed to the employee's immediate supervisor or the Legal Department. Employees should be aware of, among other matters, the following:

1. The Computer System. The Computer System is the Company's Property. The computers that employees are provided or have access to for work and the Computer System are the property of Papa Murphy's and have been provided for use in conducting the Company's business. All communications and information transmitted by, received from, created or stored in its Computer System (whether through word processing programs, email, the Internet or otherwise) are the Company's records and property of Papa Murphy's.

2. No Expectation of Privacy. Papa Murphy's has the right, but not the duty, for any reason and without the permission of any employee, to monitor any and all of the aspects of its Computer System, including, without limitation, reviewing documents and information created and stored on its Computer System, deleting any matter stored in its system, monitoring Internet and other electronic and digital media usage. Employees should not have an expectation of privacy in anything they create, store, send, receive, download, or use on the Computer System.

3. Professional Use of Computer System Required; Other Policies Apply. Employees are reminded to be courteous to other users of the system and always to conduct themselves in a professional manner. The Company's policies against discrimination and harassment (sexual or otherwise) apply fully to the Company's Computer System, and any violation of those policies is grounds for discipline up to and including discharge.

4. Offensive and Inappropriate Material; Illegal Activities. The Company's policies prohibit using its Computer System to send or receive messages or files that are illegal, abusive, offensive or profane.

5. Solicitations. The Company's Computer System may not be used to solicit for causes, commercial enterprises, outside organizations, or other activities not related to an employee's services to Papa Murphy's.

6. Copyrights and Trademarks. The Company's Computer System may not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary financial information, or similar materials.

#### F. Regulation FD and Inquiries from the Media and Public

Papa Murphy's has established procedures for releasing material information broadly into the marketplace, which are set forth in the Company's Policy on Insider Trading and Communications with the Public. This policy, along with Regulation FD, adopted by SEC, prohibit any person acting on behalf of the Company from selectively disclosing material, non-public information to securities professionals (including, for example, buy and sell-side analysts, institutional investment managers and investment companies) or investors in any security of the Company under circumstances where it is reasonably foreseeable that the recipient may be likely to trade on the basis of such information, unless the information has first or simultaneously been disclosed to the public.

Only the Chief Executive Officer, Chief Financial Officer and any investor relations firm designated by the Chief Executive Officer are authorized to speak on behalf of the Company. Other than in accordance with such policy, employees may not disclose information to anyone outside of Papa Murphy's. All inquiries or requests for comment from the media or other members of the public should be immediately and exclusively to an "authorized spokesperson" (as defined in the Policy on Insider Trading and Communications with the Public).

#### G. Subpoenas and Government Investigations

All subpoenas, information or document requests, or other inquiries from regulators, law enforcement, or governmental agencies should be reported immediately to the Company's Legal Department, along with copies of the relevant subpoena, information, or document requests whether formal or informal (e.g., a letter or email).

#### H. Records Management

The space available for the storage of Papa Murphy's documents, both on paper and electronic, is limited and expensive. Therefore, periodic discarding of documents is necessary. On the other hand, there are legal requirements that certain records be retained for specific periods of time. Before disposing of documents, employees should consult the Company's Legal Department.

If you have reason to believe that a lawsuit or other official or governmental proceeding or investigation is pending or reasonably anticipated or the Legal Department has ordered a "hold" instruction, you must preserve all possibly relevant documents, and ordinary disposal or alteration of documents pertaining to the subjects of the litigation or investigation should be immediately suspended. If an employee is uncertain whether documents under his or her control should be preserved because they might relate to a lawsuit or investigation, he or she should contact the Legal Department.

### III. COMPLIANCE WITH THE CODE OF CONDUCT

You have a responsibility to understand and follow this Code. You are expected to perform your work with honesty and integrity in any areas not specifically addressed by this Code.

A violation of this Code may result in appropriate disciplinary action. Failure to follow this Code, as well as to comply with federal, state, local and any applicable foreign laws, and the Company's corporate policies and procedures may result in termination of employment or termination of board service, as applicable.

Papa Murphy's 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. In addition, each officer and supervisory employee of Papa Murphy's has an obligation to annually certify that he or she has read and reviewed this Code with his or her subordinates, and every employee must certify that he or she has read this Code and to the best of his or her knowledge is in compliance with all its provisions.

The Code 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 prohibits or restricts Papa Murphy's from taking any disciplinary action on any matters pertaining to employee conduct, whether or not they are expressly discussed in this document. The Code is not intended to create any expressed or implied contract with any employee or third party. In particular, nothing in this document creates any employment contract between Papa Murphy's and any of its employees.

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

#### IV. WAIVERS

SEC rules and the requirements of the NASDAQ Stock Market LLC require that waivers of the Code for CEO and Senior Financial Officers are publicly disclosed. Only the Board may grant waivers from compliance with this Code and all waivers, including implicit waivers or amendments. A "waiver" means the approval by the Board of a material departure from a provision of this "Code" and an "implicit waiver" means the failure of the Board to take action within a reasonable period of time regarding a material departure from a provision of this Code after any executive officer of Papa Murphy's has become aware of such material departure. If the Board decides to grant a waiver from this Code, it will ensure that, if the circumstances warrant, the waiver is accompanied by appropriate controls designed to protect Papa Murphy's from the risks of the transaction with respect to which the waiver is granted.

#### V. REPORTING CONCERNS

**Reporting Concerns.** Papa Murphy's expects that any concerns or complaints about suspected violations of this Code, any other Papa Murphy's policy, or the law will be promptly brought to the attention of your supervisor, manager, Human Resources, the Company's Legal Department, or in appropriate circumstances, the Audit Committee. **All supervisors must report any concerns or complaints to the Legal Department.** Additionally, reports can be made through the Hotline at 866-860-8110, via email at [FRSH@openboard.info](mailto:FRSH@openboard.info), via internet at <http://www.openboard.info/FRSH/>. See "Who Do I Contact for Guidance or to Report Concerns?" above. The Hotline is available 24 hours a day, 7 days a week to receive reports of suspected Code violations. Hotline calls are free and can be made anonymously.

**Accounting Concerns.** If you have a concern about suspected improper accounting, internal accounting controls or auditing matters, you should bring such concerns to the Company's Hotline at 866-860-8110, via email at [FRSH@openboard.info](mailto:FRSH@openboard.info), via internet at <http://www.openboard.info/FRSH/>, or in writing to the Chairman of the Audit Committee. See "Who Do I Contact for Guidance or to Report Concerns?" above. The Hotline is available 24 hours a day, 7 days a week to receive reports of suspected Code violations. Hotline calls are free and can be made anonymously.

You should come forward with any concerns, without regard to the identity or position of the suspected offender. Papa Murphy's will treat the information in a confidential manner (consistent with appropriate evaluation and investigation). When practical, you should report any concerns in writing.

**Investigation .** All reports of suspected violations of the Code will be taken seriously and promptly reviewed. Promptly upon the receipt of any concern or report of a violation, the Chief Legal Officer will evaluate whether the concern relates to questionable accounting, internal accounting controls or auditing matters (an "accounting concern"). If the Chief Legal Officer determines that the concern is an auditing concern, he or she will promptly forward such concern to the Audit Committee. Employees are expected to cooperate in the investigation of reported violations. Other than auditing concerns, the Chief Legal Officer is responsible for assessing each concern on a preliminary basis to determine to what extent an investigation is required, and for directing all aspects of the investigation into the concern.

**Confidentiality.** The Legal Department will not, to the extent practical and appropriate under the circumstances to protect the privacy of the persons involved, disclose the identity of anyone who reports a suspected violation or who participates in the investigation. Employees should be aware that members of the Legal Department are obligated to act in the best interests of Papa Murphy's, and do not act as personal or legal representatives for employees.

## OUR POLICY AGAINST RETALIATION

**It is the policy of Papa Murphy's to encourage the communication of bona fide concerns** relating to the lawful and ethical conduct of business, and audit and accounting procedures or related matters. If an employee becomes aware that another employee has violated this Code, he or she is obligated to report it in accordance with procedures set forth herein. **It is also the policy of Papa Murphy's to protect those who communicate bona fide concerns from any retaliation for such reporting.** Consistent with the Company's policies and applicable law, no adverse employment action may be taken and retaliation is not permitted directly or indirectly against anyone who in good faith reports a concern or provides assistance or information to the Chief Legal Officer, management or any person or group or otherwise helping to resolve any concern.

\* \* \*

Please indicate that you have received, read and will abide by this Code by signing your name and dating the attached acknowledgment and returning it promptly to your supervisor.

**ANNUAL ACKNOWLEDGMENT AND CERTIFICATE OF COMPLIANCE**

I, \_\_\_\_\_, hereby certify that I have received and read and that I will abide by the Company's Code of Business Conduct and Ethics distributed to me on \_\_\_\_\_, 20\_\_\_. I further certify that I am not aware of any violations of the Company's Code of Business Conduct and Ethics during the preceding year that I have failed to report as required.

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(print your name)

Date: \_\_\_\_\_