

# KLDISCOVERY INC.

## CODE OF ETHICS

### I. Introduction

In accordance with the requirements of the Securities and Exchange Commission (the “*SEC*”) and the New York Stock Exchange, the Board of Directors (the “*Board*”) of KLDDiscovery Inc. (the “*Company*”) has adopted this code of ethics (the “*Code*”), which is applicable to all directors, officers, and employees (each, a “*Covered Party*” and, collectively, the “*Covered Parties*”) of the Company, with the intent to:

- promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- promote the full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with, or submits to, the SEC, as well as in other public communications made by or on behalf of the Company;
- promote compliance with applicable laws and governmental rules and regulations;
- deter wrongdoing;
- require prompt internal reporting of breaches of, and accountability for adherence to, this Code;
- protect the Company’s legitimate business interests, including its assets and corporate opportunities; and
- ensure confidentiality of information entrusted to directors, officers, and employees by the Company and its customers, distributors, suppliers, or joint venture partners.

This Code may be amended only by resolution of the Board. In this Code, references to the “Company” include, in appropriate context, the Company’s subsidiaries.

### II. Honest, Ethical and Fair Conduct

Each person owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest, fair, and candid. Deceit, dishonesty, and subordination of the Company’s interests to personal interests are inconsistent with integrity. Service to the Company should never be subordinated to personal gain and advantage.

Each person must:

- Act with integrity, including being honest and candid while still maintaining the confidentiality of the Company’s information where required or in the Company’s interests.

- Observe all applicable laws and governmental rules and regulations.
- Comply with the requirements of applicable accounting and auditing standards, as well as Company policies, in order to maintain a high standard of accuracy and completeness in the Company’s financial records and other business-related information and data.
- Adhere to a high standard of business ethics and not seek competitive advantage through unlawful or unethical business practices.
- Deal fairly with the Company’s customers, suppliers, competitors, and employees.
- Refrain from taking advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.
- Maintain the confidentiality of all information entrusted to them, including confidential or proprietary information about the Company, its customers, distributors, suppliers, or joint venture partners. Confidential or proprietary information includes all non-public information relating to the Company, or other companies, that would be harmful to the relevant company or useful or helpful to competitors if disclosed.
- Protect the assets of the Company and ensure their proper and efficient use. Theft, carelessness and waste have a direct impact on the Company’s profitability. All Company assets should be used for legitimate business purposes.
- Refrain from taking for themselves personally opportunities that are discovered through the use of corporate property, information, or positions and refrain from using corporate property, information, or position for general personal gain outside the scope of employment with the Company.
- Avoid conflicts of interest, wherever possible, except under guidelines or resolutions approved by the Board or the audit committee of the Board (the “**Audit Committee**”). A conflict of interest occurs when the private interests of a Covered Party interfere, or appear to interfere, with the interests of the Company as a whole. Anything that would be a conflict of interest for a Covered Party will also be a conflict of interest if it is related to a member of his or her immediate family.<sup>1</sup> Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company should be disclosed promptly to the Audit

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<sup>1</sup> Item 404(a) of SEC Regulation S-K defines “immediate family member” as a person’s child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, or any person (other than a tenant or employee) sharing the person’s household.

Committee. Examples of conflict of interest situations include, but are not limited to, the following:

- any significant ownership interest in any customer, supplier, or competitor;
- any consulting or employment relationship with any customer, supplier, or competitor;
- any outside business activity that detracts from an individual's ability to devote appropriate time and attention to his or her responsibilities with the Company;
- the receipt of any money, non-nominal gifts, or excessive entertainment from any company with which the Company has current or prospective business dealings;
- the receipt of compensation, in any form, for services performed for the Company from a source other than the Company;
- being in the position of supervising, reviewing, or having any influence on the job evaluation, pay, or benefit of any close relative;
- selling anything to the Company or buying anything from the Company, except on the same terms and conditions as comparable officers or directors are permitted to so purchase or sell; and
- any other circumstance, event, relationship, or situation in which the personal interest of a person subject to this Code interferes – or even appears to interfere – with the interests of the Company as a whole.

### **III. Disclosure**

The contents of, and the disclosures in, public communications, including all the reports and documents that the Company files with the SEC, must be full, fair, accurate, timely, and understandable in accordance with applicable disclosure standards, including standards of materiality, where appropriate. Each Covered Party must:

- not knowingly misrepresent or omit, or cause others to misrepresent or omit, facts about the Company to others, whether within or outside the Company, including to the Company's independent auditors, governmental regulators, self-regulating organizations, and other governmental officials, as appropriate; and
- in relation to his or her area of responsibility, properly review and critically analyze proposed disclosure for accuracy and completeness.

In addition to the foregoing, the Chief Executive Officer and Chief Financial Officer of the Company and each subsidiary of the Company (or persons performing similar functions), and each other person that typically is involved in the financial reporting of the Company must familiarize himself or herself with the disclosure requirements applicable to the Company, as well as the business and financial operations of the Company.

Each person must promptly bring to the attention of the Chairman of the Audit Committee any information he or she may have concerning (a) significant deficiencies in the design or operation of internal and/or disclosure controls which could adversely affect the Company's ability to record, process, summarize, and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures, or internal controls.

#### **IV. Compliance**

It is the Company's obligation and policy to comply with all applicable laws and governmental rules and regulations. It is the personal responsibility of each Covered Party to, and each Covered Party must, adhere to the standards and restrictions imposed by those laws, rules and regulations in the performance of his or her duties for the Company, including those relating to accounting and auditing matters.

The Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer or Controller (or persons performing similar functions) of the Company are also required to promote compliance by all employees with the Code and to abide by Company standards, policies and procedures.

#### **V. Reporting and Accountability**

The Board or the Audit Committee is responsible for applying this Code to specific situations in which questions are presented to it and has the authority to interpret this Code in any particular situation. The Company promotes ethical behavior at all times and encourages Covered Parties to talk to supervisors, managers, and other appropriate personnel, including officers, the General Counsel, outside counsel for the Company, and the Board or the Audit Committee, when in doubt about the best course of action in a particular situation. Any Covered Party who becomes aware of any existing or potential violations of laws, rules, regulations or the Code, or any other unethical behavior by any director, officer, employee, or anyone purporting to be acting on the Company's behalf, is required to notify the Chairman of the Board or the Audit Committee promptly. Failure to do so is itself a breach of this Code. Reports may be made anonymously. If requested, confidentiality will be maintained, subject to applicable law, regulations and legal proceedings. Specifically, Covered Parties must:

- Notify the Chairman of the Board or the Audit Committee promptly of any existing or potential violations of laws, rules, regulations or this Code, or any other unethical behavior by any director, officer, employee, or anyone purporting to be acting on the Company's behalf.

- Not retaliate against any other person for reports of potential violations that are made in good faith.

The Company will follow the following procedures in investigating and enforcing this Code and in reporting on the Code:

- The Board or the Audit Committee, as applicable, will take all appropriate action to investigate and determine, or shall designate appropriate persons to investigate and determine, the legitimacy of such reports.
- If the Audit Committee determines by majority decision that a violation of laws, rules, regulations or the Code has occurred, it will inform the Board.
- Upon being notified that a violation has occurred, the Board by majority decision will take or authorize such disciplinary or preventive action as it deems appropriate, after consultation with the Audit Committee and/or the Company's counsel, up to and including dismissal or, in the event of criminal or other serious violations of law, notification of the SEC or other appropriate law enforcement authorities.

No person following the above procedure shall, as a result of following such procedure, be subject by the Company or any officer or employee thereof to discharge, demotion, suspension, threat, harassment, or discrimination in any manner against such person in terms and conditions of employment.

## **VI. Waivers and Amendments**

Before an employee, or an immediate family member of any such employee, engages in any activity that would be otherwise prohibited by the Code, he or she is strongly encouraged to obtain a written waiver from the Board or the Audit Committee.

Before a director or executive officer, or an immediate family member of a director or executive officer, engages in any activity that would be otherwise prohibited by the Code, he or she must obtain a written waiver from the disinterested directors of the Board or the Audit Committee. Such waiver must then be disclosed in the Company's Annual Report on Form 10-K or in a Current Report on Form 8-K filed with the SEC, along with the reasons for granting the waiver. All Covered Parties should note that it is not the Company's intention to grant or to permit waivers from the requirements of this Code. The Company expects full compliance with this Code.

Any amendment to this Code other than minor technical, administrative, or other non-substantive amendments hereto, is required to be disclosed in the Company's Annual Report on Form 10-K or in a Current Report on Form 8-K filed with the SEC.

**VII. Other Policies and Procedures**

Any other policy or procedure set out by the Company in writing or made generally known to employees, officers, or directors of the Company prior to the date hereof or hereafter are separate requirements and remain in full force and effect.

**VIII. Inquiries**

All inquiries and questions in relation to this Code or its applicability to particular people or situations should be addressed to the Company's Secretary.

**IX. No Rights Created**

This Code is a statement of certain fundamental principles, policies and procedures that govern the Company's Covered Parties in the conduct of the Company's business. It is not intended to and does not create any rights in any employee, customer, client, supplier, competitor, shareholder or any other person or entity. It is the Company's belief that the policy is robust and covers most conceivable situations.