

TEKNI-PLEX, INC.
CODE OF BUSINESS CONDUCT AND ETHICS

INTRODUCTION

This Code of Business Conduct and Ethics (this "Code") summarizes long-standing principles of conduct that Tekni-Plex, Inc. follows to ensure that our business is conducted with integrity and in compliance with the law.

In this Code, "Tekni-Plex," "the Company," "we" and "our" all refer to Tekni-Plex, Inc. and its subsidiaries. "You" or "your" refers to each of our employees, officers and directors.

This Code is designed to sensitize you to significant legal and ethical issues that arise frequently and to let you know some of the methods you can use to report illegal or unethical conduct. No document can address every legal or ethical issue that you might confront, or summarize all laws and policies that apply to our business. Ultimately, it is your responsibility to obey the law and act ethically.

You are expected to know and follow the policies outlined in this Code. Any employee or officer who violates the letter or spirit of these policies is subject to disciplinary action, up to and including termination.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

You must comply fully with all applicable foreign, federal, state and local laws, rules and regulations that govern our business conduct. These include antitrust laws, employee health and safety laws, environmental laws and the Foreign Corrupt Practices Act.

BUSINESS ENTERTAINMENT AND GIFTS

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. You should never offer or accept any gift or entertainment unless it (1) is consistent with customary business practices, (2) is not excessive in value, (3) cannot be construed as a bribe or payoff and (4) does not violate any laws or regulations. The offer or acceptance of cash gifts is prohibited. You should discuss with your supervisor, manager or other appropriate personnel any gifts or proposed gifts which you think may be inappropriate.

Kickbacks, bribes or other illegal consideration are never acceptable and must never be either given or accepted by anyone acting on behalf of the Company. Political payments in foreign countries pose special legal problems. Employees engaged in foreign operations should never make any payment to a governmental official, agency, instrumentality or political party unless such payment has been approved in advance by our Chief Executive Officer.

CONFLICTS OF INTEREST

Business decisions must be made in the best interest of the Company, not motivated by personal interest or gain. It is our policy that you avoid any actual or perceived conflict of interest. A “conflict of interest” occurs if your personal interests interfere or conflict in any way (or even appear to interfere or conflict) with the Company’s interests. A conflict can arise if you take actions or have financial or other interests that may make it difficult to perform your Company work objectively and effectively. Conflicts of interest also may arise if you receive improper personal benefits as a result of your position in the Company, regardless of whether such benefits are received from us or from a third party.

It is difficult to identify every possible conflict of interest. You should avoid any situation in which your independent business judgment might appear to be compromised. Questions about potential conflicts of interest situations, and disclosure of these situations as they arise, can be discussed with your supervisor or manager, and should be reported to our Chief Executive Officer or General Counsel, or to the Chairman of the Audit Committee of our Board of Directors.

CORPORATE OPPORTUNITIES

You are prohibited from: (a) taking for yourself opportunities that properly belong to the Company or are discovered through the use of Company property, information or position; (b) using Company property, information or position for personal gain; or (c) engaging in any business that could compete with the Company or its products. You owe the Company a duty to advance its legitimate interests when the opportunity arises.

CONFIDENTIALITY

You must maintain the confidentiality of confidential information entrusted to you, except when disclosure is authorized by an appropriate legal officer of the Company or required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors or harmful to the Company or its customers if disclosed. It also includes information that suppliers and customers have entrusted to the Company. The obligation to preserve confidential information continues even after employment ends.

You should not share confidential information with friends, relatives or other non-employees, or discuss confidential matters in public places, such as elevators, public transportation (including airplanes) or restaurants.

FAIR DEALING

You must endeavor to deal fairly and in good faith with our customers, sales brokers, suppliers, competitors and employees. You must not take unfair advantage of anyone or engage in any other unfair dealing practices. Absent compelling special circumstances, all vendors and contractors should be selected on the basis of written competitive bids.

EQUAL OPPORTUNITY

Our policy is to select, place and work with all our employees without discrimination based on race, color, national origin, gender, age, religion, disability, veteran's status or sexual orientation. Equal opportunity is a firm and basic belief of Tekni-Plex.

It is your responsibility to help us provide a work atmosphere free of harassing, abusive, disrespectful, disorderly, disruptive or other nonprofessional conduct. Sexual harassment in any form, verbal or physical, by any employee, officer or director will not be tolerated. A violation of this policy will be treated with appropriate discipline, up to and including termination.

SAFETY AND ENVIRONMENT

Safety is always a primary goal. All employees are responsible for ensuring that the operations of the Company are conducted in a safe manner and that all corporate safety rules and practices are adhered to in the workplace. Any violations or unsafe conditions should be promptly brought to a supervisor's attention. In addition, employees must remain committed to adhering to the law and taking all other reasonable steps to preserve and enhance the environment, public health and safety.

PROTECTION AND PROPER USE OF COMPANY ASSETS

You must protect Company assets and ensure their efficient use. In addition to plant and equipment, inventory and receivables, our assets include intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Company policy. It could also be illegal and result in civil or criminal penalties.

PUBLIC REPORTING

Because our debt is publicly traded, we are required to file periodic and other reports with the Securities and Exchange Commission. We take our public disclosure responsibility seriously. Each employee participating in our public reporting must take all reasonable steps to ensure that these reports provide full, fair, accurate, timely and understandable disclosure regarding our financial and business condition. No employee should ever create or assist anyone in creating a false or misleading entry in any book or business record including expense or employee time reports. Unrecorded assets or liabilities such as "hidden" funds are never permitted. Our Chief Executive Officer and each senior financial officer must promptly bring to the attention of the Audit Committee of the Board of Directors any information he or she may have concerning (a) significant deficiencies in the design or operation of internal controls that could adversely affect our ability to record, process, summarize and report financial data or (b) any fraud, whether

or not material, involving management or other employees who have a significant role in our financial reporting, disclosures or internal controls.

REPORTING ILLEGAL OR UNETHICAL BEHAVIOR

The Company's directors and Chief Executive Officer shall promptly report any known or suspected violations of this Code to the Chairman of the Audit Committee of our Board of Directors. All other officers of the Company shall promptly report any known or suspected violations of this Code to the Chief Executive Officer. All non-officer employees should talk to supervisors, managers or other appropriate personnel about known or suspected illegal or unethical behavior. You may also report questionable behavior in the manner set forth in the Company's Whistleblower Policy. Confidentiality will be maintained to the fullest extent possible.

No employee will be penalized for making a good-faith report of violations of this Code or other illegal or unethical conduct, nor will we tolerate retaliation of any kind against anyone who makes a good-faith report. Anyone who knowingly submits a false report of a violation, however, will be subject to disciplinary action. If you report a violation and in some way also are involved in the violation, the fact that you stepped forward will be taken into consideration. All reports of violations will be reviewed and investigated. You should not investigate on your own but leave such work to the appropriate persons chosen by our Chief Executive Officer, General Counsel or Audit Committee. If the result of an investigation indicates that corrective action is required, the Company will decide what steps to take, including, when appropriate, legal proceedings and disciplinary action up to and including termination, to rectify the problem and avoid the likelihood of its recurrence.

INDIRECT ACTIONS COVERED

You are prohibited from doing indirectly (for example, through a family member or associate or through a business in which you hold an interest) those things which this Code prohibits you from doing directly. Similarly, you must not cause anything of value which this Code prohibits you from receiving directly to be paid or given to you indirectly (for example by causing it to be paid or given to your family member or associate, or to a business in which you hold an interest).

RELATIONSHIP TO COMPANY POLICIES

This Code does not supersede, change, alter or replace the existing policies and procedures already in place and communicated to you. This Code sets forth statements of goals and expectations for individual and business conduct. Nothing in this Code is intended to, nor does it in any way, constitute an employment contract or an assurance of continued employment. The Company does not create any contractual rights by issuing this Code.

AMENDMENT, MODIFICATION AND WAIVER

This Code may be amended or modified by the Chief Executive Officer or by the Board of Directors. Any waiver of this Code for executive officers or directors may be made only by the Board or its Audit Committee. Any change to this Code, and any waiver of the Code for executive officers or directors, will be promptly publicly disclosed as required by law.

ACKNOWLEDGMENT

You are accountable for knowing and abiding by these policies. We may require you to sign an acknowledgment confirming that you have received and read this Code, understand it and are complying with it. We also may require certain supervisory personnel to complete an annual questionnaire regarding their knowledge of any potential or actual violations of this Code.