



CODE OF BUSINESS CONDUCT AND ETHICS

HONESTY PROFESSIONALISM CORE VALUES



To: Advanced Drainage Systems, Inc. Associates, Officers and Directors:

The success of Advanced Drainage Systems, Inc. (the “Company”) is built on the honesty, professionalism and core values of its employees, directors and agents. The Company strives to conduct its activities in a responsible and ethical manner, adhering to the following principles:

- Honesty:*** We believe in always being honest in dealing with our customers, suppliers and others and complying with all laws and regulations applicable to our business at all levels.
- Professionalism:*** We believe in providing our products and services in a prompt and professional manner, gaining the loyalty and trust of our employees, customers and suppliers.
- Core Values:*** We believe in certain “core values” centered upon ensuring quality throughout our products and organization for long-term growth and profitability.

Attached is our updated Code of Business Conduct and Ethics (the “Ethics Code”). The Ethics Code provides the framework by which the Company will maintain the highest ethical standards in the conduct of its business and is an integral part of implementing our vision of maximizing value in an ethical environment.

Please review the Ethics Code regularly, as you are expected to adhere to each of the policies contained therein.

The Ethics Code serves as a guideline and additionally each of us has a responsibility to use good ethical judgment in the conduct of the affairs of the Company.

Each of us shall adhere to a high standard of business ethics and shall be sensitive to situations that may give rise to actual, as well as apparent, conflicts of interest.

If you have any questions, please contact the Company’s General Counsel or the Vice President of the Human Resource Department of the Company.



Advanced Drainage Systems, Inc. Code of Business Conduct and Ethics

Preface

Advanced Drainage Systems, Inc. and its affiliates demand the highest standards of ethical conduct of their associates, officers and directors. This Code of Business Conduct and Ethics (this “Code”) is applicable to all associates, officers and directors (collectively, “Associates”) of Advanced Drainage Systems, Inc. and its directly and indirectly controlled affiliates, subsidiaries and joint ventures (collectively, the “Company”). This Code has been approved by the Company’s Audit Committee and is effective as of the closing of the initial public offering of the Company’s common stock. The Audit Committee through the authority of the Board of Directors will review and may amend this policy from time to time.

This Code sets forth the compliance policies of the Company, and may be supplemented by the more detailed implementation guidelines and procedures by individual groups or departments within the Company. Associates will acknowledge receipt and understanding of this Code when they join the Company and periodically as may be required for updates as appropriate. All Associates must read and understand this Code, and comply with both its letter and spirit. Ignorance of this Code will not excuse any Associates from its requirements.

This Code does not, and is not intended, to specify all situations that may call for the exercise of sound, ethical judgment. Rather, this Code broadly outlines the obligations for the ethical conduct inherent in employment with, and service to, the Company and at the same time reinforces our core values. Associates must conduct themselves in such a manner as to avoid not only any violation of this Code, but also the appearance of any ethical impropriety.

If any Associate becomes aware of a situation or incident that may violate this Code, they must report such situation or incident in accordance with the policies and procedures set forth herein under “Reporting Any Illegal or Unethical Behavior.” All Associates may raise concerns anonymously. Any Associate found to have violated any terms of this Code will be subject to disciplinary action, up to and including termination of employment.

Conflicts of Interest

Conflicts of interest are to be avoided. A conflict of interest exists when an individual’s private interest interferes, or appears to interfere, with the interests of the Company. Conflicts of interest include, but are not limited to, improper use, misuse or disposal of Company property,

information or position for personal gain or competition with the Company, whether such gain or competition is direct or indirect. Similarly, gifts, entertainment, business opportunities, payments, kickbacks, and any other goods or services provided directly or indirectly to an Associate by, or on behalf of, a customer, vendor, consultant, partner or anyone else directly or indirectly doing business with the Company may result in a conflict of interest. Promotional items of nominal value and other limited entertainment reasonable and necessary to support business activities, provided the foregoing are infrequent and non-lavish, may be accepted subject to specific procedures and limitations. Situations that may suggest the existence of a conflict of interest may not always be clear, and any Associate who becomes aware of a conflict, or potential conflict, should bring it to the attention of the General Counsel or the Vice President of the Human Resource Department. The Company's Board of Directors must determine the existence of and resolve any apparent conflicts of interest between any director and the Company. Any waiver of this provision for a director or officer shall be publicly disclosed to the extent required under applicable law.

Fair Dealing

Associates should deal fairly with customers, vendors, competitors and each other. The Company competes in the marketplace in a fair and honest manner, gaining its competitive advantages through superior performance and execution, rather than through unethical or illegal practices. Improper use of proprietary information, manipulation, concealment, or abuse of any information and misrepresentation of material facts are all prohibited by this Code, whether or not such actions are considered unlawful. Associates are prohibited from making deliberate misrepresentations regarding the Company or its business operations, or creating or assisting the creation of, any false or misleading entry in the books or records of the Company.

Confidential Information and Intellectual Property

Associates must maintain the integrity of confidential information and ensure that such information is used only for its intended purposes. Confidential information typically includes valuable commercial information, owned by the Company or entrusted to us by suppliers, customers and others related to our business, which is competitively sensitive and not generally known to the public. It may include certain written or oral information, data or documents relating to a business, including without limitation current or prospective customer or vendor lists, pricing or rebates, guidelines, manuals, standard operating procedures, personal notes, worksheets, computer data, source code, presentations, memoranda, operational, sales, promotional and marketing methods, techniques and studies, financial and corporate records, information pertaining to pending or future acquisitions, divestures or similar transactions (including information pertaining to related financings, if any). If any Associate is unsure about whether certain information is confidential, and what restrictions may apply, please contact the Company's General Counsel or the Vice President of the Human Resource Department. The obligation to preserve confidential information is ongoing and continues even after employment ends.

Intellectual Property includes trademarks, trade names, domain names, software, patents and trade secrets owned by the Company or another entity. Such property must be used properly and protected from infringement by others. Any unauthorized use of Intellectual Property may cause

significant liability to the infringing party. If any Associate has any questions concerning the use of the Company's or another entity's intellectual property, please contact the Company's General Counsel or Vice President of the Human Resource Department.

Protection and Proper Use of Assets

Proper protection and efficient use of Company, supplier, customer and other third party assets, such as electronic communication systems, information (proprietary or otherwise), material, facilities and equipment, as well as intangible assets, is the responsibility of each Associate. Associates must not use such assets for personal profit for themselves or others and must act in a manner to protect such assets from loss, damage, misuse, theft, removal and waste. In addition, Associates must ensure that such assets are used only for legitimate business purposes. However, in limited instances, Company assets may be used for other purposes in accordance with Company policy.

Computers, Telephones and Other Communications Resources

Associates must take all due care to maintain the security and privacy of the Company's computer, telephone, and other communications resources because they are a crucial aspect of our Company's property, both physical and intellectual. If an Associate has reason to believe that our network security has been violated – if, for instance, (s)he has reason to believe that a network password may have been compromised – (s)he must promptly report the incident to the General Counsel of the Company or to the Vice President of the Human Resource Department of the Company.

The Company has a strong interest in protecting its Associates and users and maintaining the security and integrity of its resources and property. Consistent with that interest, the Company reserves the right to monitor access and disclose communications made on or information stored in any and all of its work areas, work product and equipment, including technological resources. This means that the Company cannot and does not guarantee the confidentiality of any material stored on the Company's systems or facilities, including any material stored physically or electronically on the Company's email or voicemail systems or on computers on the Company's premises. This also means that for legitimate business purposes (such as the need to access business records, to administer electronic facilities, to investigate suspected misconduct or to prevent misconduct from occurring), we may monitor, access, and disclose information or communications, including personal information and communications, made or stored on the Company's facilities or premises. Any misuse of Company property or resources or any other misconduct discovered through monitoring, access or disclosure, regardless of the reason for the monitoring, access or disclosure, is a violation of this Code and is subject to appropriate disciplinary action, up to and including termination of employment.

Fair Employment Practices

The Company believes that all people should be treated with dignity. Any conduct that fails to show appropriate respect to others, including fellow Associates, customers, vendors and guests, is inconsistent with the Company's values and unacceptable. The following are examples of such unacceptable conduct: insults; threats; intimidation; retaliation; profanity; ridicule; vulgarity;

discrimination; harassment; physical or verbal abuse; sexually explicit humor, conversation or behavior; gossip; slurs or stereotyping; unwelcome sexual advances; unwelcome touching or invasion of personal space; ignoring the rights of others; and insensitivity to the beliefs and customs of others.

As an equal opportunity employer, the Company is committed to maintaining a workplace environment free from discrimination and harassment. In keeping with this policy, the Company strictly prohibits unlawful discrimination or harassment of any kind, including discrimination or harassment on the basis of race, color, veteran status, religion, national origin, ancestry, pregnancy status, gender, sex, age, marital status, disability, medical condition, sexual orientation, gender identity, or any other characteristics protected by law. We strictly prohibit all forms of unlawful harassment (whether verbal, physical, visual or otherwise) on the part of all Associates, temporary workers, independent contractors, interns, and other professional service providers. The Company complies with all federal, state, provincial and local employment laws including regulations on pay rates, overtime, occupational health and safety and equal employment opportunity.

We are also committed to providing a safe, healthy and drug-free workplace. An Associate found using, selling or possessing illegal drugs, or, except as otherwise expressly permitted by the Company's written policies, consuming alcoholic beverages during the scope of employment, or impaired by any of the foregoing, is subject to disciplinary action, up to and including immediate termination of employment.

We seek to be multicultural, tapping the unique talents and potential of every member of our diverse work force. Our goals are to: attract and sustain a work force that reflects our customers, vendors and guests, business partners, shareholders, and communities in which we do business; and maintain a workplace that reflects open opportunity, where everyone is advantaged by their potential and no one is disadvantaged by their belonging to a particular group. We are committed to these goals for their own sake, but we also believe that diversity is the best way to develop superior products and services.

Environmental, Health & Safety

The Company is committed to protecting the environment and complying with applicable environmental laws, rules, and regulations, including without limitation those pertaining to the proper storage, handling, and disposal of hazardous materials and wastes as well as the proper management of wastewater and storm water. Our commitment to protecting the environment may also extend beyond compliance with applicable law, through our efforts to promote recycling, conserve energy and natural resources. All Associates must comply with all applicable environmental laws, and we encourage our Associates to explore new ways to protect and preserve our environment.

We have a responsibility to treat with care and respect both the environment in which we work and the people on whom we depend. The Company is committed to preserving the health and safety of our customers, Associates, contractors and others working in or otherwise visiting our facilities. We will conduct our business with integrity and in compliance with all applicable codes and other regulatory requirements including occupational health and safety laws and

regulations for the locations where we operate. We will work continuously to improve our safety programs and procedures so that they meet or exceed industry standards and local regulations. All Associates must follow Company programs and procedures, observe applicable workplace safety rules and ensure that they always use due care in safely performing their duties.

Maintaining Books and Records

Accurate financial reporting is a core aspect of how we conduct business. The Company's goal is, and will always be, accounting transparency and accuracy. To meet this standard, we consider it essential to maintain detailed, accurate books, records, and accounts to accurately reflect our transactions and to provide full, fair, accurate, timely, and understandable disclosure in reports and documents that we file, or may file, with or submit to the U.S. Securities and Exchange Commission, any applicable exchange, any governmental agency, or in any other public communications. To ensure that we provide true, accurate and complete information, we maintain a system of internal accounting controls to reinforce and verify our own compliance with these policies. Associates must always stay in full compliance with any system of internal controls that is communicated by the CEO, CFO, General Counsel, the Human Resource Department, or any department head, or that is generally communicated by the Company.

Relationships with Governments

The Company and its Associates may deal with government officials in the course of the Company's business. All interaction with government officials while on Company business must be professional and compliant with applicable laws and regulations. Any payment of cash, property or services that is, or could be interpreted to be, a bribe, kickback, or improper gift is strictly prohibited. Equally prohibited are promises of influence or favors in return for favorable government action. This policy does not prohibit Associates from making lawful, political contributions in their personal capacity.

The Company is also committed to cooperating with government inquiries. In order to assure this is done properly, the General Counsel or the Vice President of the Human Resource Department must be advised immediately of any government investigations or requests for information. Under no circumstances should any Associate mislead a government official, nor may an Associate destroy, discard, tamper with, conceal, or make a false entry on any documents which are relevant to any government investigation or which are known to be reasonably likely to be requested for inspection by a government official.

Improper Payments

No Associate may, either directly or indirectly, improperly give anything of value to any third party, including but not limited to a foreign or domestic government official, a foreign or domestic political party, a political party official, or a candidate for public office, in each case for the purposes of obtaining or retaining business, or preferential treatment, for the Company, or directing business to anyone else. This prohibition also applies to payments that agents, representatives, or business partners to whom the Company pays commissions or other fees might make for purposes of obtaining or retaining business for the Company, or directing business to anyone else on the Company's behalf. It is the Company's strict policy not to make

any payment that violates applicable law, including but not limited to the Foreign Corrupt Practices Act, and to take steps to ensure that our agents, representatives, and foreign business partners not do anything that would put the Company in jeopardy of violating any such laws. Because of the broad reach of anti-bribery laws and their harsh criminal penalties, any Associate contemplating a transaction that might even appear to be covered should consult with the General Counsel of the Company or the Vice President of the Human Resource Department.

International Trade Controls

Associates must comply with controlling international trade control and customs laws and regulations, including but not limited to those pertaining to the export of goods, services, technology, and technical data. In executing their duties, Associates must ensure the Company does not participate in boycotts or other trade practices prohibited or penalized under the laws of the United States of America or other applicable local laws, rules or regulations. Associates with any questions concerning whether the Company is in compliance with controlling international trade controls and customs laws, including complying with laws from other countries that may have laws that conflict with U.S. laws, must address their concerns with the General Counsel or the Vice President of the Human Resource Department.

Antiboycott Laws

The U.S. Antiboycott laws and regulations prohibit participation in or cooperation with the Arab boycott of Israel or any other unsanctioned boycott. Prohibited cooperation includes compliance with requests to take boycott-related actions, including providing information or making certifications that are boycott-related. Moreover, most boycott-related requests trigger reporting obligations under the law. These laws are exceedingly complicated containing detailed prohibitions and exceptions, and violations are heavily penalized. To ensure that the Company does not violate these laws, Associates must obtain prompt legal advice from the General Counsel whenever boycott questions arise or if Associates are asked verbally or in writing to take any boycott-related action.

Securities Laws and Insider Trading

The U.S. federal securities laws and rules promulgated thereunder prohibit any person that is aware of material, non-public information from purchasing or selling securities and from communicating such information to any other person for such use. "Material" information is generally any information that a reasonable investor would likely consider important in deciding whether to buy, sell or hold securities, including without limitation sales and earnings figures, information about major contracts, stock splits, acquisitions or mergers, extraordinary management developments, changes in securities ratings by ratings agencies, significant transactions, the sale of an affiliated company, the commencement of significant litigation, important new projects, or significant adverse events. It is the Company's policy that its Associates may not purchase or sell securities issued by the Company (including, without limitation, any subsidiary or affiliate of the Company and any company with which the Company has or is pursuing a commercial relationship) while aware of material, non-public information concerning our Company, its subsidiaries or affiliates, or such other company, as the case may be. In order to assist with compliance with laws against insider trading, the Company has

adopted an insider trading policy which is available to all Associates. The penalties for illegal insider trading, along with other violations of the U.S. securities laws, are severe. If Associates have any questions on securities law matters or the insider trading policy, please contact the General Counsel or the Vice President of the Human Resource Department.

Privacy

Personal information may only be collected and used in a manner consistent with applicable data protection and privacy laws, regulations and treaties and, if stored, must be in a safe and controlled environment.

Antitrust and Fair Competition Laws

Competition laws generally prohibit agreements that unreasonably restrain competition. Prohibitions include agreements with anyone, including competitors, customers and suppliers, which unreasonably restrain trade. Such agreements can be reflected in tacit understandings, oral commitments, or written contracts.

Associates must comply with all applicable competition laws and refrain from any practice that may illegally restrain competition.

Compliance with Laws, Rules and Regulations

The Company takes its responsibilities to comply with all laws, rules and regulations affecting the Company's business and its conduct in business matters very seriously. All Associates are expected to respect and obey the laws of the cities, states and countries in which the Company operates. Associates must take the time to familiarize themselves with the laws, rules and regulations that apply to their respective work responsibilities. Our stellar reputation is the foundation of our present and future success, and earning and maintaining that reputation requires attention and effort to stay in compliance with the law. Any violation of applicable law may subject the violating individual to disciplinary action, up to and including termination of employment, in addition to whatever possible civil and/or criminal liability may be incurred by such violation. Associates with any questions concerning whether the Company or any of its Associates are in compliance with U.S. or foreign laws, rules or regulations must address their concerns with the General Counsel or the Vice President of the Human Resource Department.

Reporting any Illegal or Unethical Behavior

Any Associate who is aware of any illegal or unethical behavior or who believes that an applicable law, rule or regulation or this Code has been violated must promptly report the matter to the General Counsel or the Vice President of the Human Resource Department. An Associate who has a concern about the Company's accounting practices, internal controls or auditing matters, should report his or her concerns through one of these same channels as provided in fuller detail in the Company's Policy and Procedures for Accounting, Securities and Legal Violations.

All Associates may raise concerns anonymously. Associates should take care to report potential violations to a person who they believe is not involved in the matter giving rise to the potential

violation. Associates will be expected to cooperate in any internal investigations of misconduct and to in assuring that violations of this Code are promptly addressed.

Waivers

Associates should understand that waivers or exceptions to this Code will be granted only in advance and only under exceptional circumstances. A waiver of this Code for any executive officer or director may be made only by the full Board of Directors and the waiver and the reasons for the waiver must be promptly disclosed to shareholders in accordance with applicable law and New York Stock Exchange requirements.

In all cases there will be no reprisals for raising concerns in good faith, and every effort will be made to maintain confidentiality. We enforce a strict “no retaliation” policy. Retaliation for raising a potential violation of this Code, or for participating in any investigation of a possible violation of this Code, is strictly prohibited. If a complaint of retaliation is substantiated, appropriate disciplinary action will be taken, up to and including termination of employment of the retaliating person.

This Code of Business Conduct and Ethics does not create a contract between the Company and any Associate and no promise of any kind is made by the Company in this Code. The Company is free to change the terms of this Code without having to consult with or obtain the agreement of any Associate. Unless otherwise agreed to in writing by the Company and an Associate, each of the Company and our Associates continue to have the authority to terminate the employment relationship at will, and the Company has the authority to change the terms of an Associate’s employment, in each case with or without cause and with or without prior notice. This at-will status can only be modified if such modification is in writing and signed by both the Associate and an authorized officer of the Company.

Approved/Last Update: July 30, 2014