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## Code of Ethics and Business Conduct

Date/Rev March 2014

### INTRODUCTION

DLH is committed to fostering an environment throughout our organization that supports and reinforces our commitment to the highest ethical standards. Each of us has a singular duty to DLH: to engage in business conduct consistent with the highest legal, moral and ethical standards. To that end, we have adopted this Code of Ethics. This Code of Ethics applies to DLH directors, officers and employees alike. Any waiver of the Code for directors or executive officers must be approved by the Audit Committee of DLH's Board of Directors and will be promptly disclosed to our shareholders.

We make business decisions every day at all levels of our organization. We are accountable for making good decisions and for the outcomes those decisions produce. This Code of Ethics establishes guidelines and standards for how we conduct business and make business decisions. We apply these guidelines and standards in both letter and spirit. Where the letter of the Code is not specific, the spirit of the Code will prevail. Experience and good business judgment must be applied when following the Code. By the same token, the Code is not a substitute for legal advice and cannot cover all possible situations. If you have any questions concerning the Code of Ethics or its application in a particular instance, you should consult with DLH's Outside Counsel.

Along with our Employee Handbook and other policies, procedures and guidelines adopted from time to time, the Code's guidelines and standards provide a foundation that will help us:

- maintain a strong ethical climate;
- provide clear channels of communication for employees and clients; and
- promote ethical decision making at all levels within the organization.

Each DLH employee must abide by our Code of Ethics. Adherence to the Code of Ethics is a condition of employment. Violators are subject to disciplinary action, up to and including dismissal from the Company and criminal prosecution.

### REPORTING VIOLATIONS

If you become aware or suspect that a violation of the Code of Ethics or the principles it embodies has occurred, you should immediately report the incident to the Company's Compliance Officer who in turn may consult with the company's outside legal counsel



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depending on the circumstances. If the Company's Corporate Compliance Officer or its outside legal counsel is the subject of your report, you may report the matter directly to the Audit Committee of DLH's Board of Directors by sending a letter to the DLH Audit Committee itself, c/o Becker and Poliakoff, 45 Broadway, 8th Floor, New York, New York 10006 (fax: 212-557-0295). You may make a good faith report of a suspected violation secure in the knowledge that DLH will not allow retaliation for reporting your concerns. DLH will make appropriate efforts to safeguard the confidentiality of your report. However, confidentiality cannot be assured in every instance. For example, there may be circumstances that require us to report illegal conduct to appropriate law enforcement authorities.

### ENFORCEMENT

The Company's Compliance Officer and depending on the nature of the alleged offense, the company's Outside Counsel will oversee any investigation into a suspected violation of our Code of Ethics, unless the report is made directly to the Audit Committee, in which case it will conduct its own investigation. When appropriate, the Company's Outside Counsel will take statements, interview witnesses and prepare a written report of facts and findings. The Company's Outside Counsel will report his facts and findings first to the Compliance Officer and then to the Chief Executive Officer or, when appropriate, directly to the Audit Committee, who will promptly determine appropriate action based on the facts and information presented. It is DLH's goal that this Code of Ethics be enforced fairly and consistently. The Company's Compliance Officer in concert with the Outside Counsel will provide periodic reports directly to the Audit Committee regarding compliance with our Code of Ethics.

## OUR RESPONSIBILITIES TO EACH OTHER

### DIGNITY AND RESPECT

One of DLH's goals is to attract and retain outstanding employees who will consistently contribute to the ongoing success of our organization. Each DLH employee brings a unique background and set of skills to his or her position. It is this background and skill set that helped you attain your position at DLH. DLH values the perspective, initiative and creativity of each of its employees. As a DLH employee, DLH will treat you with dignity and respect. Similarly, DLH



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expects that employees will treat each other with dignity and respect.

### DISCRIMINATION

Discriminating against any employee or person with whom DLH does business on the basis of factors such as age, race, color, religion, gender, national origin, disability, or other legally protected status is a violation of our Code and is not permitted.

### WORKPLACE HARASSMENT AND VIOLENCE

Workplace harassment and violence are unacceptable and will not be tolerated. Conduct that creates an unwelcome or uncomfortable situation or hostile work environment, including but not limited to unwelcome advances or requests for sexual favors, inappropriate comments, jokes, intimidation, bullying, or physical contact may be forms of workplace harassment. All DLH employees should avoid any conduct that might be interpreted by their fellow employees as harassment or a threat of violence.

### SAFETY AND HEALTH

DLH is committed to providing its employees with a safe workplace. Each of us is responsible for observing all safety and health rules that apply to our jobs and worksites. We are all responsible for taking precautions to protect ourselves from accident, injury or any unsafe condition. Additionally, employees must promptly report unsafe or unhealthy conditions to their supervisors so that DLH can take immediate steps to correct those conditions.

### ALCOHOL/SUBSTANCE ABUSE

DLH is a drug free workplace. We are committed to maintaining a work environment free from all forms of alcohol and drug abuse. The safety of all employees is compromised if even one employee reports to work while impaired from the use of alcohol or drugs. The use, possession, or distribution of unauthorized drugs or alcohol while on DLH's premises or on company time is not permitted. Additionally, an employee who engages in this conduct may be subject to criminal prosecution. All employees are encouraged to seek treatment for alcohol or drug abuse problems, and DLH maintains a confidential Employee Assistance Program to help employees in this regard.



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### OUR RESPONSIBILITIES TO DLH

#### CONFLICTS OF INTEREST

Our business decisions and actions must never be influenced by personal considerations or personal relationships. DLH directors, officers and employees should avoid any relationship or activity that might impair – or even appear to impair – their ability to make objective and fair decisions while performing their jobs. For example, a conflict of interest may occur when family members or close personal friends are involved in business relationships with you, either inside or outside the company. Other examples of potential conflicts of interest include:

- engagement by a competitor or potential competitor while providing services for DLH
- acceptance of gifts, payments, services or anything of value from anyone seeking to do business with DLH;
- placement of DLH business with an entity in which you or a family member has a financial interest; and
- a significant ownership interest in a DLH competitor.

Where even the appearance of a conflict of interest may exist, share the facts with and seek guidance from your supervisor or manager or notify the Company's Outside Counsel. Prompt disclosure and thorough discussion are the best ways to guard against conflicts of interest.

#### ACCEPTANCE OF GIFTS

Gifts, meals and business entertainment are common in business. They can help us build better relationships with our clients and vendors. Although the types of gifts, meals and entertainment that are appropriate in a business environment depends on many factors, generally, DLH employees may accept gifts, meals and business entertainment of a nominal value from clients and vendors. It is often difficult to define "nominal" – and \$50.00 may well be an appropriate limit – but common sense and good business ethics should be your guide. If the gift, meal or entertainment seems too lavish, it probably is. Under no circumstances should you solicit or request gifts, meals, favors or services. Additionally, you should not accept anything if it will obligate you, make you feel obligated or may be construed to obligate you to do business with the giver. You should also never accept gifts of cash or securities. If you are in doubt as to whether a particular gift is appropriate, seek guidance from your supervisor or manager.



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### CONFIDENTIAL INFORMATION

DLH has expended substantial resources in developing and protecting confidential business information. This sort of information includes, but is not limited to, customer and supplier lists, pricing models and materials, marketing strategies, non-public financial data and other sensitive information to which you may be provided access while you are a DLH employee. You should take reasonable and appropriate security measures to protect DLH's confidential information. Additionally, confidential information generally should not be disclosed to anyone outside the company. In certain circumstances, DLH may decide to enter into a written confidentiality agreement with someone outside the company in connection with disclosing this sort of information. However, any such agreement will be prepared or reviewed by our Company's Corporate Compliance Officer. In other circumstances, businesses may agree to disclose their proprietary information to DLH or you may have knowledge of such information in connection with your previous employment. You should respect the confidentiality of this information and not engage in any conduct that would expose you or DLH to liability for misuse of another's confidential business information. Your responsibility to preserve the confidentiality of DLH's proprietary business information continues even after the termination of your employment with DLH.

### INTELLECTUAL PROPERTY AND OTHER DLH ASSETS

In addition to its confidential business information, DLH has other intellectual property that may be protected by trademark, copyright or patent law. For example, the name "DLH" itself is a valuable company asset that is registered with the United States Patent & Trademark Office. DLH protects and manages the use of its service marks. No one outside the company is authorized to use DLH's service marks in any way without DLH's express written consent. All requests to or for the use of DLH trade marks or logos should be directed to Mr. Bob Coffman, Corporate Compliance Officer at 678-325-1797 or email bob.coffman@DLHcorp.com.

Additionally, DLH provides you with the use of its equipment and supplies in order for you to do your job more effectively. You may be provided with the use of a personal computer or laptop in addition to a desk, workstation and general office equipment and supplies. It is important to remember that all such equipment and supplies are DLH property. You must return DLH equipment and supplies if your supervisor or manager asks you to and when you end your



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employment. You have an obligation to protect DLH's property from loss, damage, misuse or theft and to use it only in connection with DLH's business purposes. The same is true of DLH's voice mail and electronic communication systems (including faxes and electronic mail).

Additionally, you should have no expectation of privacy in your use of these systems even if they are password protected. DLH reserves the right to -- and does -- monitor these systems to ensure their legitimate use.

### BUSINESS RECORDS AND OTHER COMMUNICATIONS

Your preparation of records and other written or oral communications is a reflection not only of you, but of DLH as well. When you create a record or report, it should be a fair and accurate representation of its subject matter. False or misleading records and reports are not permitted. All financial reports, sales reports, expense reports, time sheets and similar documents must be accurate. If you are uncertain of the validity of an entry or report, raise your concern with your supervisor or manager. It is everyone's responsibility to ensure that reports and records that they help create are valid and accurate.

When you prepare written or oral communication, remember that you are representing DLH. Your communications should be appropriate for the business setting. Additionally, most communications, even voice mail and electronic mail communications, are not private and may well create a permanent record of their content. You should communicate with the expectation that what you said or wrote could later appear in a newspaper or court of law.

### CAREFULLY BID, NEGOTIATE, AND PERFORM CONTRACTS

DLH competes fairly and ethically for all business opportunities. In circumstances where there is reason to believe that the release or receipt of non-public information is unauthorized, do not attempt to obtain and do not accept such information from any source.

Appropriate steps should be taken to recognize and avoid organizational conflicts in which one business unit's activities may preclude the pursuit of a related activity by another Company business unit.

If you are involved in proposals, bid preparations, or contract negotiations, you must be certain that all statements, communications, and representations to prospective customers are



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accurate and truthful. Once awarded, all contracts must be performed in accordance with their specifications and requirements.

### **OUR RESPONSIBILITIES TO OUR SHAREHOLDERS**

#### INSIDER TRADING

DLH is a publicly traded company, traded on the NASDAQ Stock Market under the symbol "DLHC." The market price of our shares is based on the public's knowledge of our Company. It is against the law for DLH employees to buy or sell DLH stock based on material, non-public ("inside") information. To do so provides you with an unfair advantage. Additionally, it is illegal for you to provide "tips" about inside information to those outside the Company so that they may trade in DLH stock. Simply stated, material, non-public information is not to be used for personal gain, and you should not trade in DLH stock when you possess such information. If you have any question regarding whether it is appropriate to engage in any transaction, contact the Company's Outside Counsel.

#### FINANCIAL AND OTHER REPORTING

DLH has a responsibility to maintain complete, accurate and reliable records of our business and must meet the disclosure requirements imposed by the United States Securities and Exchange Commission and by NASDAQ. To satisfy these requirements DLH has implemented procedures to ensure that only proper transactions are entered into by the Company, that such transactions have proper management approval, that such transactions are properly accounted for in the books and records of the Company and that the reports and financial statements of the Company fairly and accurately reflect such transactions. All employees having any responsibility for such functions must be familiar with the Company's policies, accounting controls, procedures and records and must comply with these requirements. Indeed, our most senior financial officers themselves are subject to their own specific code of ethics.

Additionally, while DLH is committed to providing a timely response to the reasonable requests of shareholders and others in the financial and media community, no employee may give an opinion or make a statement to anyone outside the Company unless specifically authorized to do so. All shareholder, financial community or media inquiries should be referred to the Chief Executive Officer.



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### **OUR RESPONSIBILITIES UNDER THE LAW**

#### UNFAIR COMPETITION

Competition is at the foundation of America's economy. Unfair competition is not. While DLH is a vigorous competitor and is justifiably proud of its products and services, we will never engage in conduct that may be considered anti-competitive, monopolistic, unfair or deceptive under applicable law. We will comply with all applicable anti-trust laws. These laws generally prohibit conduct that tends to restrict competition, such as price fixing among competitors. We will never misrepresent our competitors' product or services or attempt to improperly obtain or capitalize on our competitor's confidential information or trade secrets.

#### BRIBERY, KICK-BACKS AND REBATES

DLH earns business on the merits of its products and services. Providing bribes, kickbacks or rebates to facilitate business is unacceptable, will not be tolerated and may well be illegal in many of the jurisdictions in which we operate. We will report any illegal conduct to appropriate law enforcement authorities.

#### POLITICAL ACTIVITIES

Many state and local governments regulate the method and manner in which corporations can participate in the political process. This may range from the simple regulation to the outright prohibition of corporate contributions to political candidates, parties or campaigns. In general, while DLH may make contributions to the political process or engage the services of lobbyists when appropriate and when permitted by applicable law, the decision to engage in any sort of political or regulatory process on behalf of DLH is one that only may be made by the Chief Executive Officer. The laws governing corporate political involvement are complicated, and any employee wishing to communicate with a government official on issues that affect DLH should consult with the Company's Outside Counsel.

By the same token, DLH recognizes the right of each of our employees to support the political candidates, parties and activities of their choosing. However, when involved in any sort of personal political activities, you must make it clear that your views and actions are your own, not those of DLH or its management. Additionally, you may not use DLH resources or assets to support your choice of political candidates, parties or activities.



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### QUICK QUIZ

When in doubt, ask yourself:

- Are my actions legal?
- Am I being fair and honest?
- Will my actions stand the test of time?
- How will I feel about myself afterwards?
- How will it look in the newspaper or on the evening news?
- How would I feel if my friends, family or neighbors knew what I was doing?
- What would I tell my child to do?

If it feels wrong, it probably is. If you are not sure what to do, ask.

### AUTHORIZED SIGNATORIES

A handwritten signature in black ink, appearing to read 'Amanda Collins'.

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Human Resources  
Amanda Collins

A handwritten signature in black ink, appearing to read 'Robert Coffman'.

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Corporate Compliance Officer  
Robert Coffman