

## DESCARTES CODE OF BUSINESS CONDUCT AND ETHICS

This Code of Business Conduct and Ethics (“Code”) has been adopted by our Board of Directors to summarize the standards of business conduct that must guide our actions. This Code applies to all directors and employees (including officers) of The Descartes Systems Group Inc. and its subsidiaries and affiliated entities (collectively, the “Company”). The Company has issued this Code to deter wrongdoing and to promote:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- avoidance of conflicts of interest, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- accurate and timely disclosure in reports and documents that the Company files with, or submits to, the Ontario Securities Commission, the United States Securities and Exchange Commission and other securities commissions across Canada and the U.S. (collectively, “Securities Commissions”) and other governmental agencies, as well as in the Company’s other public communications;
- compliance with applicable governmental laws, rules and regulations;
- the prompt internal reporting of any violations of this Code to an appropriate person or person identified in the Code; and
- accountability for adherence to the Code.

This Code of Business Conduct and Ethics provides guidance to you on your ethical and legal responsibilities. We expect all directors and employees worldwide to comply with the Code, and the Company is committed to taking prompt and consistent action against violations of the Code. In addition to potential civil and criminal liability, violation of the standards outlined in the Code may be grounds for disciplinary action up to and including termination of employment or other business relationship. Employees and directors who are aware of suspected misconduct, illegal activities, fraud, abuse of the Company’s assets or violations of the standards outlined in the Code are responsible for reporting such matters.

Because rapid changes in our industry and regulatory environment constantly pose new ethical and legal considerations, no set of guidelines should be considered to be the absolute last word under all circumstances. Although laws and customs will vary in the many different countries in which we operate, our basic ethical responsibilities are global. In some instances, there may be a conflict between the laws of countries that apply to the operations of the Company or a conflict between laws of a specific country and the requirements of the Code of Conduct. When you encounter such a conflict, you should consult the Company’s General Counsel to understand how to resolve that conflict properly.

### **Basic Obligations**

Under the Company's ethical standards, directors and employees share certain responsibilities. It is your responsibility to (i) become familiar with, and conduct Company business in compliance with, applicable laws, rules and regulations and this Code; (ii) treat all Company employees, customers and business partners in an honest and fair manner; (iii) avoid situations where your personal interests are, *or appear to be*, in conflict with the Company interests; and (iv) safeguard and properly use the Company's proprietary and confidential information, assets and resources, as well as those of the Company's customers and business partners.

Certain of the Company's policies are complemented by specific responsibilities set forth in documents such as the Company Employee Handbook, any non-solicitation, non-competition or confidentiality agreement you signed with the Company, the Company's Insider Trading Policy, the Company's workplace conduct policies, the Company's Disclosure Policy and the Company's Global Anti-Corruption Policy. Those policies should be separately consulted by you and are not incorporated by reference into this Code of Business Conduct and Ethics. Please consult with Human Resources for copies of any policies that cannot be accessed through the Human Resources location on the Company's corporate intranet.

### **Raising Concerns**

If you should learn of a potential or suspected violation of the Code, you have an obligation to promptly report the violation. You may do so orally or in writing and, if preferred, anonymously. You have several options for raising concerns.

1. Raise your concerns with your manager;
2. Raise your concerns with your local Human Resources representative;
3. Raise your concerns with the Company's General Counsel or Chief Executive Officer;
4. Raise your concern with the Chair of the Board or Lead Director of the Board of Directors.

Contact information can be found on the Company's corporate intranet.

If the issue or concern is related to accounting, internal accounting controls, auditing matters, fraud or violations of this Code or applicable laws, you may report it anonymously to the Audit Committee using our anonymous Audit Committee Hotline. For additional information see the Company's Whistleblower Policy.

### **Policy Against Retaliation**

The Company prohibits any director or employee from retaliating or taking adverse action against anyone for raising suspected conduct violations or helping to resolve a conduct concern, including the ending the employment of, demoting, disciplining, suspending of or imposing a penalty related to the employment of such person, or the threatening of any of the foregoing, based upon any lawful action taken by or on behalf of such person. Any individual who has been found to have engaged in retaliation against a Company director or employee for raising, in good faith, a conduct concern, seeking advice with respect to such reporting, or indicating a good faith intent to make such a report, or for co-operating with or participating in the investigation of such a concern may be subject to discipline, up to and including termination of employment or other business relationship. If any individual believes that he or she has been subjected to such retaliation, that person is encouraged to report the situation as soon as possible to one of the people detailed in the "Raising Concerns" section above.

### **Conflicts of Interest**

The Company should not engage in any activity, practice or act which conflicts with the best interests of the Company or its customers. A conflict of interest occurs when an employee places or finds himself/herself in a position where his/her private interests conflict with the best interests of the Company or have an adverse effect on the employee's motivation or the proper performance of their job. Examples of such conflicts could include, but are not limited to:

- accepting outside employment with, or accepting personal payments from, any organization which does business with or wishes to do business with the Company or is a competitor of the Company;
- accepting or giving gifts of more than modest value to or from current or prospective suppliers or customers of the Company;
- competing with the Company for the purchase or sale of property, services or other interests or taking personal advantage of an opportunity in which the Company has an interest;
- employees or immediate family members who have a financial interest in a firm which does business with the Company; and
- having an interest in a transaction involving the Company or a customer, business partner or supplier (not including routine investments in publicly traded companies).

Employees must not place themselves or remain in a position in which the employee's private interests conflict with the interests of the Company.

If the Company determines that a director's or employee's employment or activity outside the Company interferes with performance or the ability to meet the requirements of the Company, as they are modified from time to time, the director or employee may be asked to terminate the outside employment or activity. To protect the interests of both the employees and the Company, any activity that involves potential or apparent conflict of interest may be undertaken only after disclosure to the Company by the employee and review and approval by management. Similarly, to the extent that a director or employee is interested in accepting an appointment as a director of another public company or entity, or other entity whose business is competitive with or likely to be competitive with that of the Company, or is otherwise considering a material investment in any such company, such appointment or investment, as the case may be, may proceed only after disclosure to the Company by the director or employee and review and approval by management.

### **Confidentiality Concerning Company Affairs**

It is the Company's policy that business affairs of the Company are confidential and should not be discussed with anyone outside the organization except for information that has already been made available to the public. As a prerequisite and condition of employment, all employees are required to be bound by confidentiality obligations either by way of written confidentiality agreements, or by applicable local employment law obligations, or both.

### **Competition and Fair Dealing**

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, not through unethical or illegal business practices. We will not collude in any way with any competitor to unlawfully fix prices, discounts or terms of sale or to divide markets, market shares, customers or territories. Information about other companies and

organizations, including competitors, must be gathered using appropriate methods. Illegal acts such as trespassing, burglary, misrepresentation, wiretapping, and stealing are prohibited. Offering to pay, payment or acceptance of bribes, kickbacks or facilitation payments are also prohibited (for additional information see the Company's Global Anti-Corruption Policy). Possessing trade secrets that were obtained without the owner's consent, or inducing such disclosures by customers or past or present employees of other companies is prohibited. Each employee should endeavor to respect the rights of, and deal fairly with, our customers, suppliers, competitors and employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair business practice.

### **Insider Trading**

The Company encourages all employees to become shareholders on a long-term investment basis. However, employees, members of the Board of Directors and others who are in a "special relationship" with the Company from time to time, become aware of corporate developments or plans which may affect the value of the Company's shares (inside information) before these developments or plans are made public. Black-out periods occur certain times throughout the year and during this time, all Company directors and employees are prohibited from buying or selling the Company's securities on the TSX or NASDAQ. In the course of the Company's business, employees, members of the Board of Directors and others may also obtain inside information about another publicly traded company. In order to avoid civil and criminal insider trading violations (including "tipping" (i.e., disclosing inside information to third parties before it is generally disclosed)), the Company has established an Insider Trading Policy. As a prerequisite and condition of employment, all employees must sign an acknowledgment by which they agree to adhere to this policy.

### **Telecommunications**

Telecommunications facilities such as telephone, cellular phones, facsimile, internet and e-mail are Company property. Use of these facilities imposes certain responsibilities and obligations on all employees. Usage must be ethical and honest with a view to preservation of and due respect for Company's intellectual property, security systems, personal privacy, and freedom of others from intimidation, harassment, or unwanted annoyance. In order to avoid violations, the Company has established a Telecommunications Usage Policy. As a prerequisite and condition of employment, all employees must sign an acknowledgment by which they agree to adhere to this policy.

### **Disclosure**

The Company is committed to providing timely, consistent and credible dissemination of information, consistent with disclosure requirements under applicable securities laws. The goal of our Disclosure Policy is to raise awareness of the Company's approach to disclosure among the board of directors and employees and those authorized to speak on behalf of the Company.

The Disclosure Policy extends to all employees of the Company, its Board of Directors and those authorized to speak on its behalf. It covers disclosures in documents filed with Securities Commissions and written statements made in the Company's annual and quarterly reports, news releases, letter to shareholders, presentations by senior management, information contained on the Company's web site and other electronic communications including any social media postings or broadcasts. It extends to oral statements made in meetings and telephone conversations with members of the investment community (which includes analysts, investors, investment dealers, brokers, investment advisers and investment managers), interviews with the media as well as

speeches and conference calls. As a prerequisite and condition of continued employment, all employees must sign an acknowledgment by which they agree to adhere to this policy.

### **Accuracy of Company Records**

As a public company, we are required to record and publicly report all internal and external financial records in compliance with U.S. Generally Accepted Accounting Principles (GAAP). Therefore, you are responsible for ensuring the accuracy of all books and records within your control and complying with all Company policies and internal controls. All Company information must be reported accurately, whether in internal personnel, safety, or other records or in information we release to the public or file with government agencies.

### **Financial Reporting and Disclosure Controls**

As a public company, we are required to file periodic and other reports with the Securities Commissions and to make certain public communications. We are required by the Securities Commissions to maintain effective “disclosure controls and procedures” so that financial and non-financial information is reported timely and accurately both to our senior management and in the filings we make. You are expected, within the scope of your director or employment duties, to support establishing and maintaining effective disclosure controls and procedures.

### **Compliance with All Laws, Rules and Regulations**

The Company is committed to compliance with all laws, rules and regulations, including laws and regulations applicable to the Company’s securities and trading in such securities, as well as any rules issued by any exchange on which the Company’s shares are listed.

### **Transparency and Integrity in Dealings with Customers and Business Partners**

We strive to achieve satisfied customers who will be repeat buyers of our products and services and to building mutually advantageous alliances with our business partners.

Our long-term reputation and business viability depend upon our continued maintenance of the high quality of the products and services we provide. We are committed to delivering products that perform as documented and as represented to the customer.

Our policy is to build lasting relationships with our customers and business partners through superior delivery and execution and honest sales and marketing. We will not directly or indirectly “buy” business from customers or other business partners. Our business dealings will comply with all applicable anti-corruption laws, including, without limitation, the U.S. Foreign Corrupt Practices Act the U.K. Bribery Act and the Canadian Corruption of Foreign Public Officials Act, which means that we will not, directly or indirectly, give or accept kickbacks, bribes or inappropriate gifts nor will we make facilitation payments. In furtherance of these obligations and expectations, the Company has established a Global Anti-Corruption Policy. As a prerequisite and condition of employment, all employees must acknowledge various global policies of the Company, of which the Global Anti-Corruption Policy forms a part. We will comply with applicable advertising laws and standards, including a commitment that our advertising and marketing will be truthful, non-deceptive, and fair and will be backed up with evidence before advertising claims are made. We will not make false or deceptive statements about our competitors and other matters prohibited under the conflict of interest topic in this Code.

### **Health and Safety**

The Company is committed to making the work environment safe, secure and healthy for its employees and others. The Company complies with all applicable laws and regulations relating to safety and health in the workplace. We expect each of you to promote a positive working environment for all. You are expected to consult and comply with all Company rules regarding workplace conduct and safety. You should immediately report any unsafe or hazardous conditions or materials, injuries, and accidents connected with our business and any activity that compromises Company security to your supervisor. You must not work under the influence of any substances that would impair the safety of others. All acts of workplace violence are prohibited.

### **Respect for Our Employees**

The Company's employment decisions will be based on reasons related to our business, such as job performance, individual skills and talents, and other business-related factors. We will adhere to all national, provincial, state or other local employment laws. In addition to any other requirements of applicable laws in a particular jurisdiction, the Company policy prohibits discrimination in any aspect of employment based on race, color, religion, sex, national origin, disability or age, within the meaning of applicable laws.

### **Workplace Harassment and Discrimination Prohibited**

In addition, the Company's policies prohibit workplace harassment and discrimination. The Company will comply with applicable human rights legislation in those jurisdictions in which it carries on business.

In particular, employees and directors are not to:

- discriminate against any co-worker, or any other person with whom you come in contact in the course of your employment, on the basis of sex, race, ethnic background, religion, disability or any other personal characteristic protected by law.
- engage in abusive or harassing conduct toward any co-worker, or any other person with whom you come in contact in the course of your employment, such as unwelcome sexual advances or other non-business, personal comments or conduct that makes others uncomfortable including any form of harassment based on sex, race, ethnic background, religion, disability or any other personal characteristic.

We encourage and expect you to report workplace harassment, discrimination or other inappropriate conduct as soon as it occurs.

### **Privacy**

The Company, and companies and individuals authorized by the Company, collect and maintain personal information that relates to your employment, including compensation, medical and benefit information. The Company follows procedures to protect information wherever it is stored or processed, and access to your personal information is restricted. Your personal information will only be released to outside parties in accordance with the Company's policies and applicable legal requirements. Employees who have access to personal information must ensure that personal information is not disclosed in violation of the Company's policies or practices.

### **Political Activity**

The Company and the employees abide by all laws and regulations governing political contributions in every jurisdiction where the Company does business. Employees may, subject to applicable laws, engage in legitimate political activity, as long as it is carried out on their own time and without using the Company's property. Employees may seek election or other political office, but must notify their supervisor to discuss the impact that such involvement may have on the employee's duties.

Employees may express their views on public or community issues of importance, but it must be clear at all times that the views expressed are those of the individual and not those of the Company.

### **Waivers and Amendments**

Only the Board of Directors may waive application of or amend any provision of this Code. A request for such a waiver should be submitted in writing to the Board of Directors, Attention: Chair of the Corporate Governance Committee, for its consideration. The Company will promptly disclose to investors all substantive amendments to the Code, as well as all waivers of the Code granted to directors or officers, in each case in accordance with applicable laws and regulations.

### **No Rights or Obligations Created**

This Code is a statement of the fundamental principles and key policies and procedures that govern the conduct of our business. It is not intended to and does not, in any way, constitute an assurance of continued employment or create any rights in any employee, director, client, supplier, competitor, stockholder or any other person or entity.

This policy is intended as a component of the flexible governance framework within which the Company's Board of Directors, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Articles and By-Laws, it is not intended to establish any legally binding obligations on the Company or limit or diminish any rights or remedies of the Company.

### **Last Updated**

This Code was last updated as of **November 30<sup>th</sup>, 2016** and approved and adopted by our Board of Directors as of that date.

