

DIRECTORS' CODE OF ETHICAL CONDUCT

The members of the Board of Directors of Advanced Energy Industries, Inc. (the “Company”) have a responsibility to carry out their duties as directors in an honest and businesslike manner and within the scope of their authority, and to adhere to the standards of conduct set forth in the applicable provisions of Delaware General Corporation Law, the securities laws and regulations of the United States, the rules of Nasdaq marketplace, and the Certificate of Incorporation and Bylaws of the Company, as amended from time to time. The Board of Directors has adopted this Director Code of Ethical Conduct and its members are each expected to adhere to the standards of loyalty, good faith, and avoidance of conflict of interest that follow:

Compliance with Laws, Rules, and Regulations

Obedying the law, both in letter and in spirit, is one of the foundations on which the Company’s ethical policies are built. All Directors will respect and be mindful of this paramount responsibility in fulfilling their duties to the Company and its shareholders.

Honest and Ethical Conduct

Each Director is expected to act in an honest and ethical manner and in accordance with the highest standards of personal and professional integrity in the conduct of the Company’s affairs.

Conflicts of Interest

Each Director has a fiduciary duty of loyalty to the Company. As part of this duty, each Director must avoid engaging in transactions or relationships in which the interests of the Director conflict with those of the Company. A “conflict of interest” arises when a person’s private interest interferes in any way — or even appears to interfere — with the interests of the Company. A conflict situation can arise when a Director of the Company takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest also arise when a Director, or members of his or her immediate family, receives improper personal benefits as a result of his or her position in or with the Company.

The Company acknowledges that the management and operation of its business requires unique and specialized expertise and that it is in the best interests of the Company to seek and retain Directors offering this combination of knowledge, skills and experience. The Company further acknowledges that, as a result of the need to draw experience and expertise from throughout the industry, certain Directors have in the past and may in the future be engaged in businesses similar to the business of the Company, that the knowledge and expertise gained from their experience with these businesses is highly beneficial to the Company, and that it is in the best interests of the Company to address judiciously any conflicts of interest with the Company that may from time to time arise with respect to these activities. While the Company respects the right of Directors to manage their personal affairs and investments and does not wish to unduly intrude upon their personal business, Directors are required nevertheless at all times to act in the best interests of the Company and use reasonable efforts to avoid situations that present a potential or actual conflict between their interests and those of

the Company. Should any Director be an officer or director of any company that is a supplier to or customer of the Company or own 10% or more of the outstanding shares of such supplier or customers, he or she shall advise the disinterested members of the Board of Directors accordingly.

The disinterested members of the Board of Directors, or of a delegated committee, shall reserve the right to determine whether a proposed transaction or relationship on the part of a Director constitutes a conflict of interest, including determinations of whether any proposed transaction constitutes a “related party transaction” under the federal securities regulations. Subject to the prohibitions on the use of corporate opportunities and confidential information set forth in this Code, for example, it may be permissible for a Director to be an officer or director of an enterprise with which the Company does business provided that such interest does not interfere with the Director’s ability to act independently and in the Company’s best interest with respect to his or her overall duties to the Company, and the Director removes himself or herself from any Board activity that directly impacts the relationship between the Company and any such enterprise in which he or she has an interest. It is also generally not considered a conflict of interest for a Director to own an equity or debt interest in a corporation listed on a national stock exchange or traded over the counter, providing the financial interest is one percent or less of the corporation’s outstanding shares. Each Director has an affirmative duty to make full disclosure to the Board of Directors or its delegated committee of all facts relating to any proposed transaction or relationship in which the Director’s interests may conflict with those of the Company so that the Board or its committee can determine whether it represents an impermissible conflict of interest.

In connection with the annual nomination process, the Nominating, Governance & Sustainability Committee shall consider whether the existence of any potential conflicts of interest bear upon the ability of any Director to satisfy the performance guidelines established by the Board of Directors. Questions regarding potential conflicts of interest should be directed to the Chair of the Nominating, Governance & Sustainability Committee.

Corporate Opportunities

Directors are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position. Directors shall not use corporate property, information, or position for improper personal gain. Directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

Insider Trading

The federal securities laws strictly forbid Directors from buying or selling Company securities while in possession of material nonpublic information about the Company. Likewise, Directors may not “tip” a family member, friend or other person by providing that person with material non-public information about the Company. Any of these actions may amount to “insider trading” and are strictly prohibited. Directors are subject to the Company’s policies applicable to insiders of the Company with respect to the purchase and sale of Company stock. Questions regarding the Company’s insider trading policies should be directed to the Company’s Chief Financial Officer.

Competition and Fair Dealing

Directors shall seek competitive advantages through superior performance, never through unethical or illegal business practices. Directors shall endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, and employees.

Confidentiality

Directors shall maintain the confidentiality of information entrusted to us by the Company or its customers, except when disclosure is either expressly authorized by the Company or required by law. Confidential information includes all non-public information, including information that might be of use to competitors, or be harmful to the Company or its customers if disclosed. Confidential includes, without limitation, financial information, forecasts and analyses and offers and proposals for acquisitions, dispositions, leases and other transactions and the appraisals, studies and other documents and analyses related thereto. Directors are required to keep confidential all such information and shall not disclose, reveal or discuss this information with persons outside of the Company or use this information for their own direct or indirect benefit or for the direct or indirect benefit of any family member, friend, relative or other recipient of the information. Questions as to whether certain information is considered confidential information should be directed to the Chief Executive Officer or Chief Financial Officer.

Internal Procedures

The Company's Internal Auditor will be responsible for the annual review of the compliance procedures in place to implement this Code and will report the results of such review to the Audit and Finance Committee.

Waivers of the Director Code of Ethics

Any waiver of this Code may be made only by the Board of Directors and will be promptly disclosed as required by law or regulation or the rules of the Nasdaq Stock Market.

Reporting any Violations of this Code

Any Director who believes that actions have taken place, may be taking place or may be about to take place that violate or would violate this Code, must bring the matter to the attention of the Chair of the Nominating, Governance & Sustainability Committee or the Chair of the Audit and Finance Committee. The Board of Directors shall determine appropriate actions to be taken in the event of a violation of this Code.

All Directors of the Company are responsible for reviewing and adhering to this Code and ensuring they have signed the certification.
