

OWENS-ILLINOIS

CODE OF BUSINESS CONDUCT AND ETHICS

INTRODUCTION

Purpose

Owens-Illinois is respected for the manner in which it has conducted its business over the years nationally and internationally. Underlying this reputation are our Company's high standards of honesty, integrity, and ethics. These standards are important business and societal assets, and we are determined that they will be maintained.

In addition, as a large multinational company, O-I is subject to literally thousands of laws and regulations which govern our business operations. These increasingly complex rules also affect our relationships with employees, customers, investors, competitors, suppliers and governmental authorities.

In some cases, ignorance of or failure to comply with these laws and regulations can result in employees being convicted of crimes that impose severe prison sentences and fines. For the Company, noncompliance can result in the imposition of severe criminal penalties and in costly civil litigation with the potential for massive damage awards. Furthermore, just being involved in such proceedings diverts critically important financial and human resources from the serious business challenges that require our undiluted focus and energies.

This Code of Business Conduct and Ethics contains general guidelines for conducting the business of the Company consistent with the highest standards of business ethics. To the extent this Code requires a higher standard than required by commercial practice or applicable laws, rules or regulations, we adhere to these higher standards.

This Code applies to all of our directors, officers and employees. We refer to all persons covered by this Code as "Company employees" or simply "employees." We also refer to our Chief Executive Officer, our Chief Financial Officer, our Director of Finance, our Controller and our Treasurer as our "principal financial officers."

Some of the matters discussed below, due to their complexity, also are covered in separate corporate policy statements. The separate, more detailed policy documents are not part of this Code, but are intended to ensure that all persons to whom the policies apply understand how to comply with them.

Seeking Help and Information

This Code is not intended to be a comprehensive rulebook and cannot address every situation you may face. If you feel uncomfortable about a situation or have any doubts about whether it is consistent with the Company's ethical standards, seek help. You are encouraged to consult with your supervisor, other members of management, or members of the Legal or Controller's Departments, as appropriate, whenever you have specific questions.

Reporting Violations of the Code

As an O-I employee, you are expected to report dishonest or illegal activities or other violations of this Code by other employees to your supervisor or to the Chief Financial Officer or the General Counsel. Alternatively, you may make such a report directly to the Chief Executive Officer. If you know of or suspect a violation of this Code, immediately report the conduct to one of these individuals. Such reporting may be in person or in writing and must contain a description of the factual basis for the allegation. You may also report violations of this Code by calling the Company's hotline at 1-800-326-0273 (U.S. or Canada). If you are calling from outside the U.S. or Canada, please refer to the telephone numbers posted at your local facility. All reports of known or suspected violations of the law or this Code will be handled sensitively and with discretion. Your supervisor, the Legal Department and the Company will protect your confidentiality to the extent possible, consistent with law and the Company's need to investigate your concern.

It is Company policy that any employee who violates this Code will be subject to appropriate discipline, which may include termination of employment. This determination will be based upon the facts and circumstances of each particular situation. Employees who violate the law may expose themselves to substantial civil damages, criminal fines and prison terms. The Company may also face substantial fines and penalties and many incur damage to its reputation and standing in the community. Your conduct as a representative of the Company, if it does not comply with the law or with this Code, can result in serious consequences for both you and the Company.

Policy Against Retaliation

The Company prohibits retaliation against an employee who, in good faith, seeks help or reports known or suspected violations. It is a serious violation of Company policy for any O-I manager or supervisor to initiate or permit reprisal action against any employee or person who in good faith reports known or suspected violations of law or corporate policies. Any reprisal or retaliation against an employee because the employee, in good faith, sought help or filed a report will be subject to disciplinary action, including potential termination of employment.

Waivers of the Code

Waivers of this Code for employees may be made only by an executive officer of the Company. Any waiver of this Code for our directors, executive officers or principal financial officers may be made only by our Board of Directors or the appropriate committee of our Board of Directors and will be disclosed to the public as required by law or the rules of the New York Stock Exchange.

COMPETITION AND FAIR DEALING

All employees should endeavor to deal fairly with fellow employees and with the Company's customers, suppliers and competitors. Employees should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

Relationships with Customers

Our business success depends upon our ability to foster lasting customer relationships. The Company is committed to dealing with customers fairly, honestly and with integrity.

Information we supply to customers should be accurate to the best of our knowledge. Employees should not deliberately misrepresent information to customers.

Relationships with Suppliers

The Company deals fairly and honestly with its suppliers. This means that our relationships with suppliers are based on price, quality, service and reputation, among other factors. Employees dealing with suppliers should carefully guard their objectivity. Specifically, no employee should accept or solicit any personal benefit from a supplier or potential supplier that might compromise an objective assessment of the supplier's products and prices. Employees can give or accept promotional items of nominal value or moderately scaled entertainment within the limits of responsible and customary business practice.

Relationships with Competitors

The Company is committed to free and open competition in the marketplace. Employees should avoid actions that would be contrary to laws governing competitive practices in the marketplace, including federal and state antitrust laws. Such actions include misappropriation or misuse of a competitor's confidential information or making false statements about the competitor's business and business practices. For a further discussion of appropriate and inappropriate business conduct with competitors, see "Compliance with Laws and Regulations – Antitrust" below.

COMPLIANCE WITH LAWS AND REGULATIONS

Each employee has an obligation to comply with all laws, rules and regulations applicable to the Company. These include, without limitation, laws covering insider trading, environmental hazards, occupational health and safety, employment discrimination or harassment, bribery and kickbacks, copyrights, trademarks and trade secrets, information privacy, illegal political contributions, antitrust prohibitions, foreign corrupt practices, offering or receiving gratuities, false or misleading financial information or misuse of corporate assets. You are expected to understand and comply with all laws, rules and regulations that apply to your job position. If any doubt exists about whether a course of action is lawful, you should seek advice from your supervisor or the Legal Department.

Antitrust Laws

O-I fully supports the purpose of antitrust laws, which is to promote vigorous and fair competition free from unreasonable restraints. Such competition is the cornerstone of our free enterprise system. Accordingly, all employees are charged with the responsibility for complying with both the letter and the spirit of the antitrust laws.

Certain arrangements with competitors are "per se" unlawful, meaning they cannot be defended or justified in any way, no matter how seemingly meritorious the competitor's intentions. The principal and most serious form of such "per se" unlawful conduct is "price fixing." This is any agreement or understanding between competitors with respect to the price, or any element of a price, to be paid to or charged to third parties. Price fixing also includes any arrangement between competitors which tends to stabilize prices. The Company simply will not tolerate price fixing or any activity that could be construed as price fixing.

On the contrary, we must compete vigorously on the basis of price, quality and service, and our conduct must be based on our independent and unilateral business judgment. Any contact involving competitors, customers or suppliers which suggests that any form of illegal agreement or arrangement exists must be avoided

Antitrust laws are complex and can affect a wide variety of activities and situations in addition to price fixing agreements, such as customer or territorial allocation conspiracies, price discrimination, monopolization, predatory pricing and group boycotts. While fully complying with antitrust rules for these various practices, the demands of our businesses may also require that we participate with competitors in certain trade association activities or deal with them in advantageous licensing or other technology exchange arrangements. Furthermore, we should pursue and capitalize on business opportunities with customers who may also be competitors in some of our businesses, and we must collect and analyze critically important competitive intelligence.

We can in fact comply with all antitrust laws – complex as they are in some situations – and still achieve these other business objectives requiring competitor contact and information by taking the time to review carefully our antitrust compliance policies and contacting the Legal Department for guidance on any matters that are unclear or require special scrutiny.

For additional information on this topic, see *Owens-Illinois Antitrust Compliance Policy*.

Insider Trading

Company policy is to ensure that all investors have equal access to information which might affect the value (increase or decrease) of the Company's publicly-traded securities. Accordingly, employees are forbidden to use material nonpublic information for their own financial gain or to disclose such information to others.

Material inside information may take many forms, such as unpublished financial results, operational plans or strategies, nonpublic information regarding significant corporate acquisitions or dispositions and research or technical programs and innovations.

Unless otherwise approved in advance by the Legal Department, directors and executive officers should confine all trading in the Company's stock to four annual window periods beginning on the third business day following release of the Company's quarterly or annual financial results and ending on the twelfth business day following such release.

Environmental Compliance

O-I recognizes its environmental responsibilities and is committed to maintaining facilities that are environmentally compatible with their communities. Although this commitment is founded on compliance with law, it goes beyond that foundation.

Federal, state and local laws regulate the emission of pollutants into the atmosphere, the discharge of pollutants into surface and underground waters, and the handling and disposal of wastes. In addition, under various laws, spills of oils or hazardous substances exceeding defined reportable quantities must be reported.

The Company has policies and operating procedures to ensure compliance with these laws and regulations and with the permits issued pursuant to these laws. Any known violation or breach

of such policies and procedures should be reported to the Legal Department or the appropriate operating unit manager immediately.

For additional information on this topic, see *Owens-Illinois Environmental Policy*.

Workplace Health and Safety

O-I is committed to providing a safe and healthful work environment for all employees. Each of us has a responsibility to abide by safe operating procedures and to guard our own health and the health of our fellow employees. Specific employee training programs are provided for this purpose. Also, plant safety rules and materials safety information are published and posted in the Company's facilities, and it is the responsibility of each employee to become familiar with and observe them diligently.

For additional information on this topic, see *Owens-Illinois Health & Safety Policy*.

Equal Employment Opportunity and Workplace Relationships

It is the policy of O-I to comply with all employment laws and to afford equal opportunity for employment to all individuals of any race, color, religion, gender, sexual orientation, national origin, physical or mental condition, disabled veteran, veteran of the Vietnam era or other covered veteran status, and age with due regard to their relative qualifications and abilities. All hiring, terminations, and selections for job opportunities will be based on the Company's business needs and the qualifications, skills and performance of the candidates, and not based on an individual's race, color, religion, gender, sexual orientation, national origin, physical or mental condition, disabled veteran, veteran of the Vietnam era or other covered veteran status, or age.

All employees must be fair, honest, and obey the law in all business relationships with investors, customers, suppliers, and employees, as well as with local, national, and international communities and governments.

Discrimination against any employee or prospective employee, or the making of disparaging comments or criticisms, on the basis of race, color, gender, sexual orientation, national origin, age, religion, disability, or veteran's status is strictly prohibited. Nor will harassment based on any of these factors be tolerated, and any instance of it should be immediately reported to your operating unit manager or to the Company's office of Equal Opportunity and Community Affairs. Furthermore, the Company will not permit or tolerate workplace environments that could be viewed as constituting or condoning such harassment.

Company policy also prohibits the illegal possession, use, manufacture, distribution, dispensing, sale, purchase, or transfer of drugs or other controlled substances on or off company premises and while conducting company business or during off-work hours.

For additional information on this topic, see *Owens-Illinois Policy Statement on Equal Employment Opportunity* and *Owens-Illinois Nondiscrimination Nonharassment Policy*.

Product Quality and Safety

We are committed to being the highest quality manufacturer of all the products we supply to our customers. Likewise, we are fully committed to compliance with all laws and regulations governing or dealing with product safety.

Foreign Corrupt Practices Act and Other Laws Governing our Business

The provisions of the Foreign Corrupt Practices Act prohibit the promise, offer, or making of any payments in money, products, or services to any foreign official in order to obtain or retain business. Additionally, under other federal laws, any agreements to refuse to deal with potential or actual customers or suppliers because of boycotts, or otherwise to engage in or support restrictive international trade practices, are also prohibited.

We obviously do not and would not permit any officer or employee of O-I or an O-I controlled affiliate to enter into any agreement or arrangement designed or intended to bribe or otherwise unlawfully reward any official or employee of a government or business for actions or decisions favorable to O-I or any of its affiliates. This prohibition includes bribes and other illegal payments made under the guise of commissions, legal fees, consulting agreements, public relations representation agreements or similar fictitious arrangements. This prohibition likewise extends to payments to agents or other intermediaries when the employee has reason to believe that all or some part of the payment will be used for a bribe or otherwise unlawfully to influence government or business actions.

Our policies in the international marketplace can, accordingly, be summarized succinctly: O-I will conduct its international businesses in accordance with the applicable laws of the United States and the host countries in which it operates.

For additional information on this topic, see *Owens-Illinois Policy on Commercial Payments & Financial Practices*.

PROTECTION AND USE OF COMPANY ASSETS

Employees should protect the Company's assets and ensure their efficient use for legitimate business purposes only. Theft, carelessness and waste have a direct impact on the Company's profitability. The use of Company funds or assets, whether or not for personal gain, for any unlawful or improper purpose is prohibited.

To ensure the protection and proper use of the Company's assets, each employee should:

- Exercise reasonable care to prevent theft, damage or misuse of Company property.
- Report the actual or suspected theft, damage or misuse of Company property to a supervisor.
- Safeguard all electronic programs, data, communications and written materials from inappropriate access by others.
- Use Company property only for legitimate business purposes, as authorized in connection with your job responsibilities.

Employees should be aware that Company property includes all data and communications transmitted or received to or by, or contained in, the Company's electronic or telephonic systems. Company property also includes all written communications. Employees and other users of this property have no expectation of privacy with respect to these communications and data. To the

extent permitted by law, the Company has the ability, and reserves the right, to monitor all electronic and telephonic communication. These communications may also be subject to disclosure to law enforcement or government officials.

ACCURACY OF FINANCIAL REPORTS AND OTHER PUBLIC COMMUNICATIONS

As a public company we are subject to various securities laws, regulations and reporting obligations. Both federal law and our policies require the disclosure of accurate information regarding the Company's business, financial condition and results of operations. As discussed more fully in the Company's internal controls policy, the Company is committed to presenting accurately and fairly the financial performance and condition of the Company. Inaccurate or untimely reporting will not be tolerated and can severely damage the Company and result in legal liability.

In fulfilling this financial reporting responsibility to its share owners and others, the Company makes and keeps its accounting records in reasonable detail to reflect its transactions and dispositions of corporate assets accurately and fairly. In addition, the Company relies on systems of internal controls to provide reasonable assurance that the basic objectives of authorization, accounting and recording of economic transactions and the safeguarding of assets are achieved.

Each employee is required to comply fully with the Company's internal controls policies. In addition, each employee is expected to understand and comply with the policies and procedures related to his or her responsibilities, and to correct and promptly report deviations to higher levels of authority within the Company as circumstances warrant. Managers have the ultimate authority and responsibility within their respective areas of control to maintain internal controls systems and procedures and to ensure employee understanding of the content and intent of Company and affiliate internal controls policies and procedures.

The Company's principal financial officers and other employees working in the Controller's Department have a special responsibility to ensure that all of our financial disclosures are full, fair, accurate, timely and understandable. These employees must understand and strictly comply with generally accepted accounting principles and all standards, laws and regulations for accounting and financial reporting of transactions, estimates and forecasts.

Questions about any financial reporting matters should be directed to the Chief Financial Officer, Treasurer, Senior Vice President of Finance and Administration, the General Counsel, the Legal Department or your respective operating unit controller. Tax questions should be directed to the Company's Director of Taxation.

For additional information on this topic, see *Owens-Illinois Internal Controls*.

CONFLICTS OF INTEREST

It is the policy of O-I that all employees avoid transactions or activities that result in, or give the appearance of, a conflict between personal interests and those of the Company. Further, employees should never conduct themselves in any manner which, directly or indirectly, would be detrimental to the best interests of the Company.

Specific examples of conduct which would result in conflicts of interest include the acceptance of a costly gift, loan, benefit, or other consideration of substantial value from a supplier or customer, or obtaining a significant financial interest in a supplier, customer, or competitor.

The Company requires that employees disclose any situations that reasonably would be expected to give rise to a conflict of interest. If you suspect that you have a conflict of interest, or something that others could reasonably perceive as a conflict of interest, you must report it to your supervisor or the Legal Department. Your supervisor and the Legal Department will work with you to determine whether you have a conflict of interest and, if so, how best to address it. Although conflicts of interest are not automatically prohibited, they are not desirable and may only be waived as described in “Waivers of the Code” above.

For additional information on this topic, see *Owens-Illinois Conflict of Interest Policy*.

CONFIDENTIAL INFORMATION

Employees have access to a variety of confidential information while employed at the Company. Confidential information includes all non-public information that might be of use to competitors, or, if disclosed, harmful to the Company or its customers. Employees have a duty to safeguard all confidential information of the Company or third parties with which the Company conducts business, except when disclosure is authorized or legally mandated. An employee’s obligation to protect confidential information continues after her or she leaves the Company. Unauthorized disclosure of confidential information could cause competitive harm to the Company or its customers and could result in legal liability to you and the Company.

Any questions or concerns regarding whether disclosure of Company information is legally mandated should be promptly referred to the Legal Department.

CORPORATE OPPORTUNITIES

As an employee of the Company, you have an obligation to advance the Company’s interests when the opportunity to do so arises. If you discover or are presented with a business opportunity through the use of corporate property, information or because of your position with the Company, you should first present the business opportunity to the Company before pursuing the opportunity in your individual capacity. No employee may use corporate property, information or his or her position with the Company for personal gain or compete with the Company.

You should disclose to your supervisor the terms and conditions of each business opportunity covered by this Code that you wish to pursue. Your supervisor will contact the Legal Department and the appropriate management personnel to determine whether the Company wishes to pursue the business opportunity. If the Company waives its right to pursue the business opportunity, you may pursue the business opportunity on the same terms and conditions as originally proposed and consistent with the other ethical guidelines set forth in this Code.

E-MAIL COMMUNICATIONS

The Company has established a policy with regard to access and disclosure of electronic mail messages created, sent or received by Company employees using the Company’s electronic mail system. That policy, which is posted on the E-mail Policies bulletin board on the electronic mail system, should be reviewed by all users of the electronic mail system. Any employees who discover a violation of this policy should notify the Company’s Manager, End User Services.

CONCLUSION

This Code of Business Conduct and Ethics contains general guidelines for conducting the business of the Company consistent with the highest standards of business ethics. All employees are expected to adhere to the standards set forth in this Code. As stated above, disciplinary action for violation may range up to and include termination of employment for cause. Our goal is to make sure that each employee knows the essential points of our policies and, if uncertain about any aspect of them, understands that he or she should make appropriate inquiries before decisions are made and actions are taken that might violate them. You are encouraged to consult with your supervisor, other members of management, or members of the Legal or Controller's Departments, as appropriate, whenever you have specific questions.

This Code and the matters contained herein are neither a contract of employment nor a guarantee of continuing Company policy. We reserve the right to amend, supplement or discontinue this Code and the matters addressed herein, without prior notice, at any time.

NOTE: This Code of Business Conduct and Ethics is intended to serve as the code required by Section 303A of the New York Stock Exchange Listed Company Manual. The sections of this Code of Business Conduct and Ethics titled "Introduction," "Conflicts of Interest," "Company Records," "Accuracy of Financial Reports and Other Public Communications" and "Compliance with Laws and Regulations," as applied to the Company's principal financial officers, collectively, are intended to serve as the "code of ethics" within the meaning of Section 406 of the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder.