

Advanced Emissions Solutions, Inc.

Insider Trading Policy

No director, officer or employee of Advanced Emissions Solutions, Inc. (“Company” or “ADES”) or its subsidiaries may purchase or sell any Company securities while in possession of material non-public information regarding the Company, nor may any director, officer or employee purchase or sell another company’s securities while in possession of material non-public information regarding that company. It is against Company policies and it is illegal for any director, officer or employee to use material non-public information regarding the Company or any other company to:

- obtain profit for himself or herself (or a member of his or her family); or
- directly or indirectly “tip” others who might make an investment decision on the basis of that information.

In addition to the other restrictions in the Company’s Code of Conduct, directors, officers and employees are subject to the Company’s Insider Trading Policy.

The Insider Trading Policy has been adopted to ensure compliance with laws relating to the prohibition of trading while in possession of material, nonpublic information about the Company. The policy applies to all employees and directors of the Company.

Prohibited Activities

1. Transactions in ADES Securities. When you know material, nonpublic information about ADES, you may not:
 - o Trade ADES securities;
 - o Advise others to buy, hold or sell ADES securities;
 - o Have others trade ADES securities for you; or
 - o Disclose (or “tip”) the information to anyone else who might then trade in ADES securities.
2. Trading During Quarterly Blackout Periods. In addition to the other restrictions in this policy, **you may not trade in ADES securities during quarterly blackout periods.** Quarterly blackout periods begin on the last day of ADES’s fiscal quarter and end two trading days after the public announcement of ADES’s quarterly (or yearly) earnings.

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3. Trading During Special Blackout Periods. Occasionally the Company may impose special blackout periods, which will be communicated by email. If you are subject to a special blackout period, you may not trade in ADES securities for the duration of the special blackout period and you may not disclose to anyone that a special blackout period has been designated.
4. Additional Prohibited Transactions in ADES Securities. You may not at any time without the prior written consent of the Chief Accounting Officer and the Company's Legal Department:
 - Trade in any interest or position relating to the future price of ADES securities, such as a put, call, short sale;
 - Hold ADES securities in a margin account or pledge ADES securities as collateral for a loan; or
 - Enter into any transaction relating to hedging ADES securities, including zero-cost collars or forward-sale transactions.
5. Transactions in Securities of Other Public Companies. When you know material nonpublic information about another public company obtained in the course of service with ADES, you may not:
 - Trade in the securities of the other public company;
 - Advise others to buy, hold or sell the securities of the other company;
 - Have others trade the securities of the other company for you; or
 - Disclose or "tip" the information to anyone else who might then trade in the other company's securities.

Additional Rules for "Access People"

1. Access People. You will be notified in writing or via email if you are determined by the Company's management to be an Access Person subject to the additional rules.
2. Prior Approval Required. In addition to the restrictions described above for employees generally, no Access Person may trade in ADES securities at any time unless the trade has been approved in advance in writing or by email by the Company's Chief Accounting Officer and the Company's Legal Department, except if such trade is made pursuant to a pre-approved 10b5-1 plan.

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- (a) Procedure for Requesting Approval. As soon as possible prior to a proposed trade in ADES securities, the Access Person must notify the Chief Accounting Officer and the Company's Legal Department in writing or by email of the expected amount, timing and nature of the proposed transaction(s) and confirming that they do not believe that they possess any material non-public information concerning the Company.
 - (b) Duration of Approval. Once approval has been received, if the Access Person does not execute the proposed transaction(s) within 2 business days after receipt of approval, the Access Person must request a new approval for the proposed transaction.
3. Notification Required. In order to assist with the filing of the appropriate forms with the Securities and Exchange Commission, all individuals who are subject to the reporting and liability provisions of Section 16 of the Securities Exchange Act of 1934, as amended, must notify the Chief Accounting Officer and the Company's Legal Department on the same business day of any transaction in ADES securities, including transactions made pursuant to 10b5-1 plans.

Transactions Covered by the Policy

The insider trading policy applies to all transactions in the Company's securities, including the Company's common stock, options to purchase or sell common stock or other securities, discretionary account transfers in 401(k) and similar plans, and any debt securities, preferred stock, or options or derivative securities that the Company may issue in the future.

Please note that this policy prohibits even those transactions that you may feel are necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure). The securities laws do not recognize such mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

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Transactions in Company Stock Plans

The policy, including compliance with the blackout periods, applies to transactions under stock incentive, 401(k), and self-directed pension accounts, including the following:

- any sale of stock as part of a broker-assisted cashless exercise of an option and or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option;
- certain elections you may make under the Company's 401(k) plan, including:
 - an election to make an intra-plan transfer of an existing account balance into or out of the Company stock fund,
 - an election to borrow money against your 401(k) plan account if the loan will result in a liquidation of some or all of your Company stock fund balance, and
 - your election to pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Company stock fund;
- all sales of Company stock purchased pursuant to a 401(k) or self-directed pension plan; and
- all sales of Company stock acquired as a matching contribution made by the Company pursuant to a 401(k) plan.

Post-Termination Transactions

The policy continues to apply to transactions in Company securities even after your relationship with the Company terminates. If you are in possession of material nonpublic information when your relationship with the Company terminates, you may not trade in Company securities until that information has become public or is no longer material.

Definition of "Material Information"

Material information is any information that a reasonable investor would consider important in making a decision to buy, hold, or sell securities. You should consider any information that could be expected to affect the Company's stock price, whether it is positive or negative, as material. Some examples of information that ordinarily would be regarded as material are:

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- Financial performance, especially quarterly and yearly earnings;
- Earnings projections and guidance, or changes in financial performance, outlook or liquidity;
- Proposed mergers, acquisitions, divestitures or restructurings;
- Public or private securities offerings, repurchases or financings;
- Unanticipated changes in sales, orders, costs or expenses;
- A change in dividend policy, or the declaration of a stock split;
- Change in management;
- Development of a significant new product, service or process;
- News about a major contract award or cancellation of an existing contract;
- The gain or loss of a significant business partner;
- Significant legal exposure due to actual, pending or threatened litigation; and
- Changes in the Company's auditors or a notification from the Company's auditors that the Company may no longer rely on the auditors' audit report.

Remember, anyone scrutinizing your transactions will be doing so after the fact, with the benefit of hindsight. As a practical matter, before engaging in any transaction, you should carefully consider how enforcement authorities and others might view the transaction in hindsight.

Definition of "Nonpublic"

Information is considered to be "nonpublic" until it has been *fully disclosed* to the public. Full disclosure of information to the public generally requires wide dissemination through major news services, such as a press release, or through a widely attended conference call or presentation that has been announced in a press release and is open to the public through a web cast or dial-in number. A radio or TV appearance, or disclosure to a small number of investors or analysts, or an article in a newspaper or magazine, would not qualify as full disclosure. In addition, full disclosure means that the securities markets have had the opportunity to digest the news. Generally, two full trading days following publication in a press release or a conference call is regarded as sufficient for dissemination and interpretation of material information.

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Exceptions

The only exceptions to ADES's Insider Trading Policy are set forth below.

Option Exercises

Exercise of an ADES stock option is not restricted by the policy. However, this exception does not exempt the sale of the shares acquired upon the exercise of the stock option, and such sale must comply with the restrictions in the policy. For example, you may not carry out a "cashless exercise" (simultaneous exercise and sale) of a stock option while in possession of material nonpublic information or during a blackout period unless the cashless exercise is approved by a majority of the independent, disinterested directors of the Board of Directors, Audit Committee of the Board or Compensation Committee of the Board (for directors and executive officers) or the Chief Accounting Officer and the Company's Legal Department (for any other person), in its discretion, prior to such transaction.

Certain Transactions Under Company Plans

The trading restrictions in the policy, including the blackout periods, do not apply to the following situations:

- Company stock acquired as a matching contribution made by the Company pursuant to a 401(k) plan; and
- the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares subject to an option to satisfy tax withholding requirements.

Gift Transfers

You may make a gift or similar transfer that is not a sale for value (including a transfer to a family limited partnership or to a trust or a custodian for the benefit of a minor), provided that the transferee agrees to be subject to the policy and the restrictions of the policy to the same extent as the transferor.

Transfers Pursuant to Rule 10b5-1 Plans

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The U.S. securities laws provide a defense from insider trading liability if trades occur pursuant to a pre-arranged “trading plan” that meets specified conditions. These plans are known as “10b5-1 Plans” after the rule that allows them. You may sell or purchase ADES securities pursuant to a Rule 10b5-1 Plan provided that each of the following conditions is satisfied:

- With respect to any purchase or sale, the 10b5-1 Plan either (i) expressly specifies the amount, price and date, (ii) provides a written formula for determining amounts, prices and dates, or (iii) does not permit the person subject to the policy to make any subsequent decisions, or exercise any subsequent influence over, how, when, or whether to effect such purchase or sale (provided any other person with such influence does not have access to any material nonpublic information regarding ADES); and
- You must notify the Chief Accounting Officer and the Company’s Legal Department in writing or by email of your intent to establish the Rule 10b-5 Plan, confirming that you do not then believe that you possess any material non-public information concerning ADES, and, if you are an executive officer or director of ADES, confirming that all trades made pursuant to the Rule 10b5-1 Plan will be made in accordance with Section 16 of the Securities and Exchange Act of 1934, and Rule 144 of the Securities Act of 1933.

A Rule 10b5-1 Plan may permit modification by you after it is established. However, when you establish the Rule 10b5-1 Plan, you should not anticipate making any changes to the plan, and changes to the plan or revocation of the plan may expose transactions under the plan to insider trading liability if you possessed (or had access to) material non- public information. Any modifications to a Rule 10b5-1 Plan established by an Access Person (including any revocation or early termination of the plan) must receive prior approval in writing or email by the Chief Accounting Officer and the Company’s Legal Department.

Financial Hardship

If you have an unexpected and urgent need to sell Company securities in order to generate cash during a blackout period, you may, in appropriate

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circumstances, be granted a hardship exception. Hardship exceptions may be granted only by the Chief Accounting Officer and the Company's Legal Department and must be requested at least two days in advance of the proposed trade. A hardship exception may be granted only if the Chief Accounting Officer and the Company's Legal Department conclude that you do not possess any material nonpublic information and that the Company does not know of any such information that could be attributed to you.

Your Family and Affiliates May Be Subject to Insider Trading Liability

Please note that U.S. laws also prohibit people related to or affiliated with our employees and directors from trading in ADES securities while aware of material nonpublic information about the Company. These additional people include our consultants and other people associated with us; family members or others who reside with an employee or director; family members who do not reside with an employee or director but whose transactions in ADES securities are directed by that person or are subject to their influence or control (such as parents or grown children who consult with you before they trade in ADES securities); and trusts, corporations and other entities controlled by our employees and directors. As an employee of ADES, you are responsible for the transactions of people related to or affiliated with you and therefore you should make them aware of the policy.

When Do Blackout Periods End?

Assuming the NASDAQ Stock Market is open every day, and assuming the earnings announcement is made on a Tuesday, below is an example of when the blackout periods would end:

Announcement Time on Tuesday	First Day You Can Trade
Before Market Opens	Thursday
While Market is Open	Friday
After Market Closes	Friday

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Consequences of Insider Trading Violations

The consequences of an insider trading violation can be severe. Insiders who trade on inside information and who “tip” others are subject to severe penalties, including a civil penalty of up to three times the profit gained or loss avoided; a criminal fine of up to \$1,000,000 (no matter how small the profit); and a jail term of up to ten years. If you tip information to a person who then trades, you are subject to the same penalties as the person receiving the tip, even if you did not trade and did not profit from that person’s trading.

If the Company or its supervisory personnel fail to take appropriate steps to prevent illegal insider trading, then they also are subject to severe penalties, including a civil penalty of up to \$1,000,000 or, if greater, three times the profit gained or loss avoided as a result of your violation; and a criminal penalty of up to \$2,500,000.

If you fail to comply with the policy, you are subject to Company- imposed sanctions, including dismissal for cause, whether or not your failure to comply results in a violation of law. If you violate the federal securities laws or become subject to an SEC investigation, even if the investigation does not result in prosecution, your reputation could be tarnished and your career could be irreparably damaged.

Assistance

If you have questions about the policy or its application to any proposed transaction, you may obtain additional guidance from Ted Sanders, the Company’s Corporate Counsel, at (720) 598-3537 or by email at ted.sanders@adaes.com. Ultimately, however, the responsibility for adhering to the policy and avoiding unlawful transactions rests with you.

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