



## **BUSINESS CONDUCT POLICY**

### **I. INTRODUCTION**

Firan Technology Group, its divisions and subsidiaries (hereinafter referred to as “FTG”) expect business dealings between employees and by employees with shareholders, customers, suppliers, retirees, community organizations and governmental and regulatory authorities to be conducted with the highest standards of ethics and integrity and in full compliance with applicable laws, statutes and regulations.

While the following summarizes the policies of FTG on major areas of business conduct, these guidelines are not meant to cover every eventuality. Consequently, employees with a question on the propriety of any action should discuss it with their Supervisor before proceeding. Directors with such questions should discuss them with the full Board before proceeding.

These guidelines have been unanimously approved by the Board of Directors of FTG and have the full support of Management.

### **II. COMMERCIAL INTEGRITY**

FTG endorses the view that a viable free-enterprise system rests upon the fundamental proposition that free and open competition is the best way to assure a supply of goods and services at reasonable prices. To this end, employees shall refrain from any kind of understanding or agreement with others regarding prices, terms of sales, division of markets, and allocation of customers or any other practice which restrains competition or is otherwise prohibited.

### **III. MISREPRESENTATION OR FRAUD**

Employees shall ensure that, at all times, in their role in the Corporation they comply with both the letter and spirit of all applicable government rules and regulations and that they represent the Corporation in an honest, respectable and professional manner. It is unethical for any Employee to engage in any form of misrepresentation and/or fraud which damages the Corporation and/or the reputation of the Employee and another Employee.

### **IV. COMPANY RECORDS**

Employees shall ensure that all business records, accounts, invoices, vouchers, bills, payroll and other records reflecting FTG transactions are complete, accurate, reliable and supported by appropriate documents in auditable form. Employees are prohibited from entering into any transaction or arrangement which would intentionally or knowingly result in any of the above being false or misleading.

## **V. CONFIDENTIALITY**

Confidential and/or undisclosed information regarding FTG products, strategies, plans, forecasts, sales and earnings, financial condition, know how, design, processes and procedures, production plans, discoveries, cost and price data, possible acquisitions or divestitures as well as research and development are vitally important to FTG's success and are to be held in strict confidence by employees.

The use of such information for the benefit of any employee or its disclosure to any unauthorized person violates FTG's interest and is prohibited.

In cases where information or records are obtained under an agreement with a third party, such as software licenses or technology purchases, employees must ensure that the provisions of such agreements are strictly adhered to so that the employee(s) involved and/or FTG are not vulnerable to consequences in the event of unauthorized disclosure or use of such information or records.

## **VI. MISUSE OF FTG ASSETS, SERVICES OR TIME**

FTG employees are prohibited from using FTG assets, services or time in a manner which may interfere or conflict with FTG business interests or reputation.

## **VII. CONFLICT OF INTEREST**

Employees owe a duty of loyalty to FTG with the obligation to act in its best interest, to maintain in confidence all proprietary information and to refrain from placing themselves in a position that could tend to produce a conflict of interest between them and FTG. It is the duty of employees to act in good faith at all times and not to use their positions for private or personal gain beyond that provided by FTG.

### **Financial Interests:**

A conflict of interest may exist when an employee (or member of his/her immediate family) who is able to influence business with FTG owns, directly or indirectly, a beneficial interest in a competitor, supplier, customer or contractor to FTG.

### **Outside Work:**

A conflict of interest may exist when an employee (or member of his/her immediate family) directly or indirectly, acts as a director, officer, consultant or agent to an organization that is a competitor, supplier, customer or contractor to FTG.

### **Entertainment, Gifts, Favours and/or Gratuities:**

A conflict of interest may exist when an employee (or member of his/her immediate family) accepts or provides any compensation, commissions, payments, fees, gifts, services, privileges, trips, entertainment, accommodation, favours or promises of future credit, goods, loans, advances or guarantees from or to any company, organization or individual doing business or seeking to do business with FTG that could be construed as attempting to secure preferential treatment.

Entertainment, gifts, favours and/or gratuities are acceptable provided that they are of such a nominal value that they could not be reasonably perceived by anyone to affect the judgment of the recipient and that public disclosure would not be an embarrassment for FTG or the recipient.

Employees shall not give or offer anything to any government official, even if lawful, if the action could be construed as an attempt to influence a government decision in any matter affecting FTG.

#### **Trading with FTG:**

A conflict of interest may exist when an employee (or member of his/her immediate family) enters into any transaction with FTG or any company, organization or person having or seeking business with FTG other than on normal trade terms and conditions.

#### **Misappropriation of Business Opportunities:**

A conflict of interest may exist when an employee (or member of his/her immediate family), without the knowledge and consent of FTG appropriates for their own use, or that of another person or organization, the benefit of any business venture, opportunity or potential about which he/she may have learned or may have developed during the course of his/her employment.

If a conflict of interest or a potential conflict of interest arises, employees having knowledge of the situation should immediately bring the matter to the attention of their Supervisor for resolution.

### **VIII. EMPLOYEE HEALTH AND SAFETY**

Employees are expected to perform their duties with due consideration for their own safety as well as the safety of those around them and to report any situation of concern to their Supervisor.

### **IX. ENVIRONMENTAL RESPONSIBILITY**

It is FTG's objective to preserve and, if possible, enhance the environment in the communities where its various businesses operate through responsible and environmentally oriented operating practices. Employees are encouraged to participate in undertakings geared to improving the environment in both their workplaces and their community.

### **X. EQUAL EMPLOYMENT OPPORTUNITY**

Employees and applicants will be treated equally according to their individual qualifications, abilities, experiences and other employment standards. FTG is committed to ensuring a work environment free from harassment because of race, national or ethnic origin, colour, religion, age, sex, marital status, family status, disability and conviction for which a pardon has been granted. The prohibition of harassment based on sex includes sexual harassment which is defined to mean conduct, comment, gesture or contact of a sexual nature that (a) is likely to cause offence or humiliation to any employee, or (b) might on reasonable grounds be perceived by that employee as placing a condition of a sexual nature on employment or on any opportunity for training or promotion.

**XI. POLITICAL CONTRIBUTIONS AND INVOLVEMENT**

FTG will not interfere in the political activities of employees other than to encourage their involvement as citizens in accepting the responsibilities of good citizenship and doing everything they can to preserve and strengthen the system of government. Political involvement by employees is based on the understanding that it is undertaken solely on their own behalf and not as a representative of FTG.

Note: In this policy, the term “employees” includes members of the Board of Directors.

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I confirm to have read the Rules of Conduct set out above and understand their content and undertake to respect them.

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date