



Code of Conduct and Ethics

Introduction

Matcor-Matsu believes that operating in a socially responsible, ethical manner which is in compliance with the laws and regulations of those countries in which we operate is fundamental to our long-term success. As our Company continues to grow and change, our business becomes more complex and doing the right thing has become more complicated. This means that it is more important as our business boundaries reach across the globe, for the Company to adopt fair employment practices, protect safety in the workplace, support and foster environmental consciousness and fully comply with applicable laws. This Code of Conduct and Ethics is intended to give our associates the information they need to guide their actions in an ever-challenging environment. It is critical that Matcor-Matsu associates conduct themselves with the highest ethical standards so that we can earn the trust of our customers, suppliers, and associates as well as the communities in which we operate. Following these guidelines will not only help us do the right things but will help us enhance our reputation as an outstanding and responsible corporate citizen. Our future success depends on it.

This Code of Conduct and Ethics and the provisions contained in the related policies, guidelines and procedures apply to all Matcor-Matsu associates, suppliers, contractors and visitors. Specific to associates, this Code of Conduct and Ethics is an integral part of Matcor-Matsu's terms of employment. In addition, managers have elevated responsibilities to lead by example according to the standards in this Code. Managers are responsible for promoting a culture of compliance and integrity and as such, are expected to:

- have an in-depth understanding of the Code of Conduct and Ethics
- facilitate the understanding and promote the Code of Conduct and Ethics values and guidelines to Matcor-Matsu associates, and
- lead by example by demonstrating a standard of high personal ethical conduct

Matcor-Matsu reserves the right to amend this Code of Conduct and the related policies, guidelines and procedures from time to time. Failure to comply with the letter and spirit of this Code of Conduct and Ethics and the policies, guidelines and procedures of Matcor-Matsu will lead to disciplinary measures up to and including termination. Certain violations may also lead to legal action.

Note: For the purposes of this document "Matcor-Matsu" refers to Matsu Manufacturing Inc. and any of its affiliates and subsidiaries.

1. Adherence to Applicable Legislation and Regulations.

Matcor-Matsu and its associates are expected to comply at all times with all applicable laws and regulations. Matcor-Matsu will not condone the activities of any associate who violates the law or engages in unethical business practices, regardless of whether an unlawful act is motivated “in the interests of the Company” or “in the interests of the customer”. No activity may be carried on that will not stand the closest public scrutiny. Accordingly, associates must ensure that their conduct cannot be interpreted as being in any way in contravention of the laws and regulations governing Matcor-Matsu’s operations. If you are in doubt about the application or interpretation of any legal requirement, you should refer the matter to your supervisor or manager.

2. Workplace Environment

- 2.1 Basic Principles.** In the performance of their duties, all associates will act honestly and with integrity. We will carry on our business with respect for individual rights to equality and non-discrimination.
- 2.2 Health and Safety.** Matcor-Matsu is committed to protecting the health and safety of its associates, contractors and visitors. In fulfilling this commitment, safety must be the most important factor in any decision. Accordingly, we have adopted and will strictly observe our Health & Safety Policy which requires us to, among other things, comply with or exceed applicable occupational health and safety laws. In seeking ways to improve health and safety, the cost of such measures should not rule out the implementation of any such reasonable alternatives. Our goal is zero injuries and to achieve this we must each take personal responsibility not only for our own health and safety but for all those around us. *[Refer to the Health & Safety Policy Statement]*
- 2.3 Substance Abuse.** Substance abuse poses a threat to all of us in virtually every aspect of our lives, including the workplace. For the protection of all, it is imperative that the workplace be free from substance abuse, including use or possession of illegal or illicit drugs, and alcohol abuse. You may not use, possess, manufacture, distribute, dispense, transport, promote, or sell illegal or illicit drugs or drug paraphernalia while on Company business or on Company premises. You are prohibited from being at work or on Company business while under the influence of, or impaired by, alcohol or illegal or illicit drugs. Associates shall not perform any work while under the influence of any substance which could impair their judgement or diminish their capacity to render their employment obligations.
- 2.4 Non-Discrimination.** Matcor-Matsu is committed to equal opportunity in employment and to fostering diversity in our work force. Our hiring policies and workplace practices require that there be no discrimination because of race, color, religion, age, gender identity or expression, sexual orientation, creed or any other factors which may be covered by local law. We recognize that diversity in our work force is a valuable asset, and we strive to provide an inclusive work environment in which different ideas, perspectives, and beliefs are respected. Violations of the Company’s equal opportunity policies may result in discipline, up to and including termination.

- 2.5 Harassment.** As part of our commitment to having a respectful and inclusive work environment, the Company has long maintained an Anti-Harassment Policy. Harassment includes language or conduct that may be derogatory, intimidating, or offensive to others. All of us, including suppliers, contractors, customers and visitors to our premises, are protected under this Policy and are expected to abide by it. Violations of the Company’s Anti-Harassment Policy will result in discipline, up to and including termination or release. *[Refer to the Workplace Violence & Harassment Policy]*
- 2.6 Media.** The only official spokesperson for the Company is the Chief Executive Officer (“CEO”). Every other person is prohibited from representing himself or herself as a spokesperson for Matcor-Matsu without the prior written consent of the CEO. All requests from the media for official statements of Matcor-Matsu should be referred to the CEO, whom shall also approve all articles, press releases or other public communications involving Matcor-Matsu.
- 2.7 Political Contributions.** No associate may make any political contribution of any kind in the name of the Company or utilizing Matcor-Matsu’s funds, assets, services or facilities. Furthermore, you cannot require, nor should you request a supplier or vendor of the Company to make a political contribution of any kind as a condition of doing business with Matcor-Matsu. As an associate, you are free to make a personal political contribution or engage in personal political activities so long as such contributions or activities are lawful, do not interfere with your work responsibilities or give the appearance of a conflict of interest.
- 2.8 Competition and Antitrust.** Competition and Antitrust laws protect free enterprise and encourage fair and honest competition. At Matcor-Matsu, we seek competitive advantages by strategic alignment with our suppliers and customers as well as through superior operational performance, never through unethical or illegal practices. Stealing or illegally appropriating proprietary information or inducing disclosures by past or present associates of other companies is prohibited. If you improperly obtain proprietary information from competitors, suppliers or other third parties, you should treat that information as confidential and not use it for improper business purposes. In addition, you should promptly report the situation to your manager. You are expected to comply with applicable domestic and international antitrust and competition laws. Engaging in, conspiring to or agreeing to do any of the following actions may be prohibited:
- Bid Rigging – agreeing with competitor(s) regarding bids to be submitted
 - Group Boycott – agreeing with competitor(s) not to deal with vendors or distributors, other competitors or customers
 - Territory or Customer Allocation – agreeing with competitor(s) to split territories or customers
 - Bribes or Kickbacks – offering to pay bribes or provide kickbacks in an attempt to do any of the above.

The above list is not intended to be exhaustive but is an illustration of certain types of conduct that constitute illegal antitrust behavior.

3. Corporate Responsibility - Supplier Code of Conduct

Social responsibility is an inescapable element of the long-term success of our Company, just as it is for our stakeholders, business partners, associates and our customers. A plan for true sustainability requires not only that we are a good global citizenship but that we remain competitive in the long term. True social responsibility is not an obstacle but an enabler to this end. These principles are followed by our Company and our Suppliers worldwide. This documentation of Corporate Social Responsibility beliefs and expectations notifies every supplier and contractor that they must share in the adherence to these practices.

- 3.1 Human Rights.** We respect and support compliance with internationally accepted human rights policies and laws.
- 3.2 Forced Labour.** We condemn all forms of forced and compulsory labour. Labour must be voluntarily and freely chosen. All suppliers, including recruitment agencies used by a supplier, must verify the legal employment eligibility of all persons to work and not use any prison, indentured, forced, involuntary, bonded or slave labour.
- 3.3 Child Labour.** We support the effective abolition of exploitative child labour. Suppliers will not employ individuals in violation of local mandatory school age or under the legal employment age in each country where they operate.
- 3.4 Harassment and Discrimination.** Suppliers will uphold equal opportunities with respect to employment and will refrain from discrimination in any form unless national law expressly provides for selection according to specific criteria. Discrimination against associates based on race, color, religion, age, gender identity or expression, sexual orientation, or creed and other factors that may be covered by local law is not acceptable.
- 3.5 Working Conditions.** We are opposed to all exploitative working conditions.
- 3.6 Protection of Health and Safety.** Suppliers will ensure health and safety at the workplace to a level no less than required by applicable legislation and supports the continuous improvement of working conditions.
- 3.7 Compensation.** Suppliers will honour the right to reasonable compensation of a level no less than the legally established minimum-wage and the local job market, based on local laws and regulations. Within the scope of national legislation, suppliers will respect the principle of “equal pay for work of equal value.”
- 3.8 Working hours.** Suppliers will comply with national provisions and agreements regarding working hours and regular, paid holidays.
- 3.9 Environment.** We believe in stewardship of our natural resources. Suppliers will comply with all applicable environmental laws and regulations and will promptly develop and implement plans or programs to correct any non-compliant practices.

- 3.10 Corruption and Ethics.** We will work against corruption in all its forms. We strictly adhere to all local and applicable local laws and regulations related to corruption and ethics, and require its suppliers to act in a similar manner.
- 3.11 Privacy.** We will endeavor to protect the personal information of our associates, customers and anyone else we are engaged in business with, in accordance with each country's laws and hold our suppliers to the same standard.
- 3.12 Protection of intellectual property.** All suppliers must respect intellectual property rights and safeguard all Matcor-Matsu's information including but not limited to, know-how, trade secrets, financial information, new product or service development plans and other sensitive Matcor-Matsu or personal information and limit access to such information only to those supplier personnel who have a legitimate business need for such information.
- 3.13 Freedom of Association.** All suppliers shall freely allow their workers to join associations, and bargain collectively, in accordance with local law, without interference, discrimination, retaliation, or harassment.
- 3.14 Improper Payments.** Any form of bribery, "kickback", or improper payments (of cash or anything else of value) to government officials, Company associates, or other third parties, to obtain an unfair or improper advantage are strictly prohibited. In particular, all Suppliers and their associates, agents or representatives are prohibited from directly or indirectly accepting, soliciting, offering or paying a bribe or providing anything else of value (including gifts or gratuities, with the exception of commercial items of modest economic value) to any Matcor-Matsu associate or any third party.
- 3.15 Accurate Records.** All Suppliers will provide Matcor-Matsu with accurate and complete invoices and other transaction documentation and will not assist or engage in any action or inaction that could reasonably be expected to result in the Company's books and records not being accurate and complete in all respects. Among other things, discounts, rebates and other credits will be provided to the Company in full and in the applicable period earned or granted, unless otherwise specified in the terms of the applicable agreement with the Company. In addition, the amount and effective date of any price changes must be in accordance with the terms and limits, if any, set forth in the applicable agreement with the Company. Costs, fees and expenses chargeable to the Company must be clearly and accurately described and actually incurred.
- 3.16 Responsible Material Procurement.** Use deliberation and care in the procurement of materials to prevent purchasing materials which are unlawful or obtained through unethical means. Specific to conflict materials, suppliers shall exercise due diligence from Conflict-Affected and High-Risk areas, on its entire supply chain with respect to the sourcing of all tin, tantalum, tungsten, and gold contained in its products, to determine whether those metals are from the Democratic Republic of the Congo (DRC) or any adjoining country and, if so, to determine whether those metals directly or indirectly financed or benefited armed groups that are perpetrators of serious human rights abuses in the DRC or an adjoining country. Countries that adjoin the DRC are Angola, Burundi, Central African Republic, Rwanda, South Sudan, Tanzania, Uganda and Zambia.

- 3.17 Export and Trade Compliance.** Our suppliers must comply with all applicable laws and regulations concerning export licences and other consents in connection with any goods and services, transactions, and transactions in so-called Sensitive Countries or with legal and natural persons subject to restrictive measures
- 3.18 Counterfeit Parts.** Our suppliers should use the best quality goods, materials, standards and techniques, and ensure that all goods and materials supplied, used or transferred to the Company will be free from defects in workmanship, installation and design, as well as free of second hand, counterfeit and/or replica parts.
- 3.19 Supplier Relations.** All Suppliers are expected to assist Matcor-Matsu in enforcing this Supplier Code of Conduct and are responsible for communicating these principles to their respective associates, subsidiaries, affiliates and subcontractors.
- 3.20 Reporting Violations.** Suppliers are responsible for reporting to the Company suspected violations of law or the Matcor-Matsu Code of Conduct and Ethics Guidelines.

4 Conflict of Interest.

Each associate is expected to give his or her first business loyalty to Matcor-Matsu. Where we are entrusted with making decisions and choices for Matcor-Matsu, it is essential that these decisions are (and are seen to be) free of any inappropriate bias arising from personal relationships or the opportunity for personal gain. Personal relationships with suppliers, customers, contractors and other associates must not affect your ability to act in a manner that is best for the Company. All suppliers must disclose any actual or potential conflict of interest, and discuss it with Matcor-Matsu management. Any activity that is approved, despite an actual or apparent conflict, must be documented.

4.1 Avoiding the Appearance of Conflict of Interest. We must always act in such a manner that your conduct will bear the closest scrutiny. Not only actual conflict of interest, but even the appearance of conflicts is to be avoided. Perception of conflict of interest can be just as damaging to the reputation of the Company and its associates.

4.2 Outside Activities. Outside employment, whether for another Company or for yourself, can create a conflict of interest. It is strongly discouraged at every level and is prohibited under the following circumstances:

- It interferes in any way with the performance of your duties.
- It is connected in any way with a Company that has any business relations with Matcor-Matsu.
- It is connected in any way with a business competitor.
- It calls upon the primary professional skills for which you are employed at Matcor-Matsu.

If you are at all unsure as to whether your outside employment violates the above rules, you should check with your manager and ensure that the conclusion is documented.

4.3 Bribes and Kickbacks. As Matcor-Matsu associates we do not offer, give, solicit, or receive any form

of bribe, kickback, or improper inducement in order to secure business from customers, award contracts to suppliers or gain regulatory approval from government officials. This applies to all transactions everywhere in the world, even where the practice is widely considered “a way of doing business.”

- 4.4 Purchasing Decisions.** We never exert influence to obtain special treatment on behalf of a particular supplier. It is essential that suppliers competing for Matcor-Matsu’ business have confidence in the integrity of our selection process.
- 4.5 Charitable Donations.** Matcor-Matsu supports a wide range of charitable and social causes in the communities where our associates live and work. We are dedicated to working with charitable organizations that share our goal to help make a difference. Through our donations and sponsorships, we provide significant support to local communities. We will continue to focus on strategic areas through direct support that helps organizations develop the resources and capacity required to be effective. Matcor-Matsu associates are not to solicit suppliers for charitable donations.
- 4.6 Personal Relationships.** Personal relationships may at times develop with suppliers and customers. Asking these suppliers or customers to provide products or services can create a real or perceived conflict of interest. We refrain from all such activities. If you learn of such activities you should report them in confidence to your manager. From time to time, suppliers who may be relatives or friends of Matcor-Matsu associates solicit business from Matcor-Matsu. In these situations, it may be difficult to maintain objectivity in your decisions. Although it’s not strictly prohibited to do business with these suppliers, it is required that you disclose any such relationships to your manager.
- 4.7 Family and Friends within the Company.** Matcor-Matsu supports relatives working in the organization as we are always trying to attract top talent. However, it is our strong preference that they should not report within the same organizational line or where there is a significant sphere of influence. In this respect, relatives are defined as direct family members including grandparents, grandchildren, aunts, uncles, cousins, siblings and those who share a conjugal relationship. The same organizational line means a reporting relationship whereby, the junior person would fall under the supervision of the senior one if you traced a line up the organizational chart. Significant sphere of influence refers to a situation where one relative, although in a different reporting line, still could have significant influence over the other relative.
- 4.8 Receiving of Gifts or Favours.** Except where prohibited by law, associates may offer and accept reasonable business gifts and entertainment to and from business associates provided that the gifts or entertainment are modest in value and appropriate under the circumstances. Business gifts and entertainment on a modest scale are legitimate tools in building good business relationships. For instance, providing or accepting occasional meals, promotional items and tickets to sporting and other events may be appropriate in certain circumstances. Exchanging gifts or providing entertainment will generally not be considered a breach of our Code of Conduct and Ethics when the gift or entertainment is (i) given pursuant to accepted business practices, including this policy, (ii) not intended as an inducement, and (iii) consistent with applicable law. Any associate with questions about the propriety or legality of offering or accepting a particular gift or providing certain entertainment should check with their manager or the Chief Executive Officer of the Company. “Gifts and entertainment” are anything of value, including:

- cash equivalents (such as gift cards or gift certificates)
- a loan, unless it is from a regular financial institution on normal terms
- tickets to any event, unless the supplier is in attendance and the situation meets all other entertainment limitations
- gifts or other donations for parties or social events attended principally by Company personnel
- meals and beverages
- use of vehicles or vacation facilities
- travel expenses
- transportation
- discounts
- prizes
- favours

Return any inappropriate gifts with a polite note explaining the Company's policy and advise your manager. If it is not practical to return the gift, consult your local Human Resources representative to determine what to do with the gift.

4.9 Giving of Gifts or Favours. Giving gifts, just like receiving gifts, can harm the Company's reputation by creating the appearance of impropriety. In some situations, giving gifts or favours can also violate the law, for example when dealing with government officials. However, it is recognized, that some business entertainment or social activity with business associates may be appropriate and beneficial to Matcor-Matsu when undertaken with discretion. If there is a good business case for entertaining or socializing with business contacts in your role as a Matcor-Matsu associate, you must pay for all costs of such entertainment and apply for reimbursement through the established expense claim process. If you participate in business related entertainment that advances Matcor-Matsu's interests but where it is inappropriate or impossible for Matcor-Matsu to pay (e.g. social courtesy and grace would make attempted payment offensive to the host) then you should accept the entertainment graciously on behalf of Matcor-Matsu and disclose it to your manager in writing, preferably in advance.

5 Company Assets.

As associates, each of us is responsible for protecting the Company's assets and ensuring that they are used for Company business purposes and in accordance with Company policies.

5.1 Care of Company Assets. You are responsible for the proper use and security of Company property entrusted to you. You should ensure that all Matcor-Matsu property assigned to you is maintained in good condition. You should be able to account for such equipment at all times in accordance with established procedures.

5.2 Personal Use of Company Assets. Any use of Matcor-Matsu property or services that are not solely for the benefit of Matcor-Matsu must be approved in advance by your supervisor or manager. Common sense dictates that some items, such as the occasional phone call on personal affairs or a

personal email are acceptable. Use good judgement and, if in doubt, err on the side of disclosure and seek approval from your supervisor. Company computers and all information contained within these assets are provided to associates as necessary tools for job performance. We are all expected to use these tools in full accordance with our policies. All electronic data stored on Company computers or similar assets are the property of the Company. You should have no expectations of privacy when using Company computers or other Company resources. The Company has the right to monitor or access documents on its systems at any time, within the limits of existing laws and agreements. (This policy statement excludes Company vehicles; see separate policy)

5.3 Theft of Company Assets. Theft of Company assets is the most fundamental breach of the employment relationship. Matcor-Matsu will not tolerate theft under any circumstances and will terminate and prosecute in such situations.

5.4 Theft from Coworkers, Customers or Suppliers. The Company will not condone theft of any kind while on Company property or on Company business. We must respect the property of others and any acts of theft may be dealt with through legal means and may result in termination.

6 Intellectual Property.

The Company's various types of intellectual property are highly valuable assets. They are key to our business strategy of using innovation to sell world-class products that are both unique and technologically superior. Intellectual property shall remain the exclusive property of the Company and includes patents, copyrights, trade secrets, know how or any product or process that was developed or marketed by Matcor-Matsu that were either provided to you or that you otherwise obtained access to in the course of your employment. New ideas or inventions may be protected through a formal patent, or as trade secrets. Regardless of whether an idea is formally protected, it shall remain the property of Matcor-Matsu if it was conceived or developed through the execution of your position within the Company. It is the policy of the Company to secure and protect its intellectual property rights, and to take appropriate action against any individual or group making unauthorized use of our rights. All associates should continually monitor and protect the intellectual property of the Company against infringement by others and should not infringe the intellectual property of others.

6.1 Data Privacy and Protection. Data privacy laws safeguard information about individuals. This information includes name, age, contact details, employment and financial information. Matcor-Matsu respects the basic right of individuals to privacy including Associates, contractors, customers and suppliers. It is often necessary to collect such personal information and Matcor-Matsu will make every effort to ensure that such information is protected from misuse. *[Refer to Information Technology Policies: (a) Internet Access & Acceptable Use; (b) System Access & Acceptable Use; (c) Email Acceptable Use]*

6.2 Careful Communications. Each associate is responsible for ensuring that your communications are clear, correct and appropriate. Responsible and appropriate communications are essential not only to conducting our business, but also to the Company's reputation. Copies of communications may be used as evidence in court, in submissions to government agencies, in the development of media articles as well as in determining corrective actions. Communication includes written

memorandums/letters, handwritten notes, email, drawings, computer files, voicemail and photographs. In addition, be cautious in public places, during travel or when using public forums as to not disclose confidential Company information as it may be overheard.

6.3 Confidential Information. Each associate must keep strictly confidential, and use solely for the purposes of performing your employment related duties, any Intellectual Property or Confidential Information disclosed to you either by the Company or their customers and suppliers in the course of your employment. Confidential Information includes, without limitation: all business plans, strategies, corporate policies, financial information, operational and technical information, marketing information, customer lists and preferences, current or anticipated customer requirements, price lists, marketing studies, sales analysis, product plans, supplier information, associate information, organizational structure, associate lists, information regarding labour relations, associate remuneration, and any other confidential information concerning the business and affairs of the Company or their customers and suppliers, including information which, though technically not trade secrets, the unauthorized dissemination or knowledge of which might prove prejudicial to the business interests of the Company.

7 The Environment.

It is the policy of Matcor-Matsu that our manufacturing operations and products should accomplish their functions in a manner that protects the health of the environment. Matcor-Matsu is committed to meeting all regulatory requirements; however, when necessary and appropriate, Matcor-Matsu may establish its own standards, which may exceed regulatory requirements. Consideration of potential health and environmental effects should be an integral part of all Company business decisions including those relating not only to the manufacture of our products but also the design and ultimate disposal of those products. It is clear that strong and profitable companies of the future will be the ones that lead the way for sustainable use of our resources. Matcor-Matsu is focused on many environmental initiatives which reduce our environmental impact not only within our operations but in the products we design and manufacture. These include reductions in the weight of our products, manufacturing emissions, water and energy consumption as well as the recycle and reuse of non- renewable materials and the creation of renewable energy. We expect all Matcor-Matsu associates to embrace this environmental commitment as they plan and execute their workplace duties. *[Refer to Environmental Policy Statement]*

8 Reporting of Non-Compliance Incidents and Enforcement

All associates must report all known or suspected violations of Company Policy or business-related legal requirements to their local Human Resource representative, including:

- Legal or regulatory items;
- Violations of the Company Code of Conduct and Ethics; and
- Company Policies and Procedures.

All complaints and reports will be handled promptly and discreetly. Matcor-Matsu is committed to maintaining adequate procedures for the confidential reporting by concerned persons. Any complaint or report of a contravention or possible contravention will be treated on a confidential basis. The

complainant's identity will be treated confidentially, unless specifically permitted to be disclosed by him/her or required by law.

Matcor-Matsu prohibits retaliation against any person for reporting in good faith a complaint or contravention or possible contravention by another concerned person or for cooperating in an investigation regarding another concerned person's contravention or possible contravention. Any person who retaliates against any complainant may face disciplinary measures.

Reporting Methods:

There are several reporting methods that are available to report suspected violations, including:

- Open Door Policy
- Direct Communication
- Website: www.matcor-matsu.com
- Mail: 7657 Bramalea Road, Bramalea, Ontario L6V 5T3 (RE: Code of Conduct & Ethics)
- Quality of Work Life Survey

Declaration – Code of Conduct and Ethics

I, _____
(Last name, First name)

Acknowledge that I have reviewed, read and understand the Code of Conduct and Ethics of Matcor-Matsu and agree to comply with it and with any amendments thereto.

I undertake to review the Code of Conduct and Ethics, the policies, procedures and guidelines of Matcor-Matsu from time to time, as I carry out my responsibilities and to become familiar with any amendments.

I hereby commit to promptly inform the Company of any potential, apparent or real conflict of interest which I am aware of.

Signature

Title/Position

Date