

## ANTI-BRIBERY POLICY

### 1. Purpose

The purpose of this policy is to establish controls to ensure compliance with all applicable anti-bribery and corruption regulations, and to ensure that Clover Tool's business is conducted in a socially responsible manner.

### 2. Policy statement

Bribery is the offering, promising, giving, accepting, or soliciting of an advantage as an inducement for action which is illegal or a breach of trust. A bribe is an inducement or reward offered, promised, or provided in order to gain any commercial, contractual, regulatory, or personal advantage.

It is Clover Tool's policy to conduct all of our business in an honest and ethical manner. Clover Tool takes a zero-tolerance approach to bribery and corruption. Clover Tool is committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever Clover Tool operates, implements, and enforces effective systems to counter bribery.

Clover Tool will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which the company operate. However, Clover Tool remains bound by the laws in Canada in respect of our conduct both at home and abroad.

Bribery and corruption are punishable by law, and individuals can face a fine and up to ten years' imprisonment. If Clover Tool is found to have taken part in corruption, the company could face an unlimited fine, be excluded from tendering for public contracts, and damage our reputation. Clover Tool therefore takes its legal responsibilities very seriously.

### 3. Scope

#### 3.1 Who is covered by the policy?

In this policy, **third party** means any individual or organization you come into contact with during the course of your work, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

This policy applies to all employees who work at all levels and grades, including supervisors, senior managers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, remote staff, casual workers and agency staff, volunteers, interns, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as **employees** in this policy).

This policy covers:

- Bribes;
- Gifts and hospitality;
- Facilitation payments;
- Political contributions;
- Charitable contributions.

#### 3.2 Bribes

Employees must not engage in any form of bribery, either directly or through any third party (such as an agent or distributor). Specifically, employees must not bribe a foreign public official anywhere in the world.

### 3.3 **Gifts and hospitality**

Employees must not offer or give any gift or hospitality:

- which could be regarded as illegal or improper, or which violates the recipient's policies; or
- to any public employee or government officials or representatives, or politicians or political parties; or
- which exceeds \$150 in value for each individual gift or \$500 in value for each hospitality event (not to exceed a total value of \$1000 in any financial year), unless approved in writing by the employee's manager.

Employees may not accept any gift or hospitality from our business partners if:

- it exceeds \$100 in value for each individual gift or \$500 in value for each hospitality event (not to exceed a total of \$1000 in any financial year), unless approved in writing by the employee's manager; or
- it is in cash; or
- there is any suggestion that a return favour will be expected or implied.

Where a manager's approval is required above, if the manager is not available then approval must be sought from the general manager.

If it is not appropriate to decline the offer of a gift, the gift may be accepted, provided it is then declared to the employee's manager and donated to charity.

Clover Tool appreciates that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

### 3.4 **Facilitation payments and kickbacks**

Facilitation payments are a form of bribery made for the purpose of expediting or facilitating the performance of a public official for a routine governmental action, and not to obtain or retain business or any improper business advantage. Facilitation payments tend to be demanded by low level officials to obtain a level of service which one would normally be entitled to.

Clover Tool's strict policy is that facilitation payments must not be paid. It is recognized, however, that employees may be faced with situations where there is a risk to the personal security of his/her family and where a facilitation payment is unavoidable, in which case the following steps must be taken:

- Keep any amount to the minimum;
- Create a record concerning the payment; and
- Report it to your manager.

In order to achieve our aim of not making any facilitation payments, Clover Tool will keep a record of all payments made, which must be reported to the controller, in order to evaluate the business risk and to develop a strategy to minimize such payments in the future.

### 3.5 **Political Contributions**

Clover Tool does not make donations, whether in cash or of any other kind, in support of any political parties or candidates, as this can be perceived as an attempt to gain an improper business advantage.

### 3.6 **Charitable contributions**

Charitable support and donations are acceptable (and indeed are encouraged), whether of in-kind services, knowledge, time, or direct financial contributions. However, employees must be careful to ensure that

charitable contributions are not used as a scheme to conceal bribery. Clover Tool will only make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without prior approval from the general manager.

All charitable contributions should be publicly disclosed.

#### **4. Your responsibilities**

You must ensure that you read, understand, and comply with this policy.

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working at Clover Tool. All employees are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify your manager **OR** the controller or the Fairness Committee as soon as possible if you believe or suspect that a conflict with or breach of this policy has occurred or may occur in the future.

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. Clover Tool reserves the right to terminate any contractual relationship with an employee if they breach this policy.

#### **5. Record-keeping**

Clover Tool must keep financial records and have appropriate internal controls in place which will provide evidence and support the business reason for making payments to third parties.

You must declare all hospitality or gifts accepted or offered, which will be subject to managerial review.

You must ensure all expense claims relating to hospitality, gifts or incurred by third parties are submitted in accordance with our expense policy, and that a record showing the reason for the expenditure is provided.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

#### **6. How to raise a concern**

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries or concerns, these should be raised with your manager **OR** the controller or through the Fairness Committee

#### **7. What to do if you are a victim of bribery or corruption**

It is important that you tell the controller or the Fairness Committee as soon as possible if you are offered a bribe by a third party, or are asked to make one, or suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

#### **8. Protection**

Employees who refuse to accept a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. Clover Tool's aim is to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

Clover Tool is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats, or other unfavorable treatment connected with raising a

concern. If you believe that you have suffered any such treatment, you should inform Human Resources immediately.

**9. Training and communication**

Training on this policy forms part of the induction process for all new employees. All existing employees will receive regular, relevant training on how to implement and adhere to this policy. In addition, all employees will be asked to formally accept conformance to this policy on an annual basis, through the employee handbook.

Clover Tool's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors, and business partners at the outset of our business relationship with them and as appropriate thereafter.

**10. Who is responsible for the policy?**

The Ownership team has overall responsibility for ensuring this policy complies with legal and ethical obligations, and that everyone mentioned above complies with it.

The controller has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

**11. Monitoring and review**

The controller will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy, and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

All employees are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

Employees are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions, and queries should be addressed to the controller.

This policy does not form part of any employee's contract of employment and it may be amended at any time.



Frank Zeni  
President



George Zeni  
Vice-President



Robert Zeni  
General Manager

