



BUSINESS ETHICS POLICY

The Horsburgh & Scott Business Ethics Policy, which is embodied in the following standards, is a guide to ethical decision-making. We are committed to uncompromising integrity in all that we do and in the way in which we relate to each other and to people outside the Company. While the standards in this Policy are mainly based on laws, they also reflect the values which define us and our Company. We must constantly strive to avoid any circumstances which may create a conflict, or the appearance of a conflict, between our personal interests and those of the Company. The standards in this Policy may be implemented, interpreted, or amended from time to time through written procedures or other compliance guidelines.

Each of us is personally responsible for making sure that our business decisions and actions comply at all times with the spirit as well as the letter of this Policy. Given the pace of change in our industry, it is impossible for this Policy to anticipate all possible scenarios which may involve ethical decision-making. If we have questions about the application of a standard, or if we are confronted with a situation that presents an ethical issue that is not addressed by this Policy, we should seek guidance from your supervisor. In addition, we owe it to each other to report the behavior of others to the Human Resource Department or a member of the Executive Management Team if we have reason to believe that the behavior violates this Policy.

All supervisory and management employees, including all officers and directors of the Company, have a special responsibility to lead according to the standards in this Policy, in both words and action. Our supervisory and management employees are also expected to adhere to and promote our “open door” policy. This means that they are available to anyone with ethical or other concerns, questions or complaints. All concerns, questions and complaints will be taken seriously and handled promptly, confidentially and professionally. No retaliation will be taken against any employee for raising any concern, question or complaint in good faith.



The following standards of conduct will be enforced at all organizational levels. Anyone who violates them will be subject to prompt disciplinary action, which may include dismissal for cause.

Compliance with Laws, Rules and Regulations

It is the Company's policy to be a good "corporate citizen." Wherever we do business, employees and directors of the Company are required to comply with all applicable laws, rules and regulations. Employees are also responsible for honoring and abiding by the contracts that we have entered into with other parties, including intellectual property licenses (e.g., software licenses related to software packages used in our business), confidentiality agreements, contracts with our customers and suppliers, and undertakings and other commitments we may have with government authorities. The standards in this Policy must of course be interpreted in the context of applicable law and practice of the countries where we operate, as well as good common sense. Any suspected or actual violation of any applicable law, rule or regulation or our contractual obligations or undertakings should be reported to a member of the Human resource department or a member of the Executive Management Team.

Antitrust - Competition and Other Restrictions

In most countries, there are laws that govern the ways in which the Company may compete. The purpose of these laws is to prevent interference with a competitive market system. Accordingly, as a matter of Company policy, participating in any of the following is strictly forbidden: (a) misrepresenting our own products or services; or (b) offering, paying, or receiving bribes or kickbacks.

Conflicts of Interest

A conflict of interest occurs whenever our personal interests interfere in any way with our ability to perform our jobs objectively and in the best interests of the Company and its shareholders. Employees must therefore refrain from entering into relationships or transactions that might impair their judgment as to what is best for the Company and its shareholders. Even relationships that create the appearance of a conflict of interest should be avoided. We cannot circumvent these ethical standards by acting through



someone else, such as a friend or family member (which includes our spouse, domestic partner, children, parents, in-laws, and siblings).

Any employee who is presented with a transaction or relationship which could create a conflict of interest must bring the transaction or relationship to a member of the Human resource department or a member of the Executive Management Team.

There are many different ways in which conflicts of interest arise. For example, personal financial interests, obligations to another company or governmental entity, or the desire to help a relative or friend are all factors that might divide our loyalties. To clarify what we mean, we have set out below our policies about the most common types of conflict of interest.

Investments

No employee, officer or director of the Company may have a financial interest in any competitor, customer, distributor, broker, or supplier where the financial interest would be likely to influence, or appear to influence, his or her actions on behalf of the Company.

Gifts and Entertainment

The giving or acceptance gifts and entertainment by employees, contractors or agents and directors or members of their family may present a conflict of interest. The Gifts and Entertainment policy at H&S ensures that exchanges of gifts and provision of entertainment by employees, contractors, or agents are conducted ethically and professionally. The policy prohibits employees from accepting or soliciting gifts that could compromise the recipient's professional judgment. However, they may accept nominal gifts or business courtesies that are customary and comply with laws and industry standards. Employees are required to disclose significant gifts and obtain approval. Gifts and entertainment provided on behalf of the company should be reasonable, aligned with customary practices, and serve a legitimate business purpose. Compliance with laws and regulations is mandatory, with special attention given to interactions with public officials. Accurate records must be maintained, including the purpose, value, and



recipient of gifts or entertainment, and reimbursement requests should be supported by appropriate documentation and adhere to company policies.

Family Members and Close Personal Relationships

The Company's standards of conduct are not intended to intrude on our personal lives. Situations may arise, however, where our relationships with family members and friends create conflicts of interest. Generally, employees are prohibited from being in the position of supervising, reviewing or having any influence on the job evaluation or salary of their close relatives. Employees and directors who have family members or close personal friends who work for businesses seeking to provide goods or services to the Company or for businesses seeking to purchase goods or services from the Company may not use their personal influence to affect the outcome of negotiations to the detriment of the Company. Employees who have relatives or close personal friends who work for such businesses, or for competitors, should bring this fact to the attention of their immediate supervisor and discuss any difficulties that might arise and appropriate steps to minimize any potential conflict of interest.

Corporate Opportunities

Employees, Agents, officers and directors of the Company owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. It is never permissible for an employee, agent, officers and directors of the Company to compete against the Company.

Confidential Information

Our clients and other parties with whom we do business entrust the company with vital information relating to their businesses. It is our policy that all information considered confidential will not be disclosed to external parties or to employees without a "need to know." If an employee questions whether certain information is considered confidential, he/she should first check with his/her immediate supervisor.



Horsburgh & Scott employees are required at all times to hold as secret and confidential any all technical information, business information, developments, “trade secrets,” and other know-how of Horsburgh & Scott and its businesses of which they acquire knowledge, both during the course of their employment and at all times thereafter. All employees should take appropriate care to insure that confidential information of Horsburgh & Scott is appropriately maintained and is restricted in terms of access.

Employees may not use Horsburgh & Scott confidential, proprietary information for their own benefit or for the benefit of others at any time during the course of their employment or thereafter. Misappropriation of Horsburgh & Scott’s confidential information is extremely serious, and will subject persons using and/or disclosing such information to disciplinary action up to and including termination, as well as appropriate legal action.

This policy is intended to alert employees to the need for discretion at all times and is not intended to inhibit normal business communications.

All inquiries from the media must be referred to the Human Resources Department.

Fair Dealing

The Company is committed to having its employees and agents deal fairly and honestly with the Company’s customers, suppliers, competitors and other employees.

Our Customers

Doing business in an honest and fair manner with our customers means we must earn their business based on competitive pricing, the quality of our products and services, and our ability to fulfill our contractual commitments. For example, where our products or services must meet customer specifications, employees are prohibited from using false data or manipulating data in such a way as to suggest compliance with these specifications when compliance has not been achieved. Employees responsible for customer invoicing are required to reflect



accurately on invoices the purchase price of the products and other contract terms.

Our Suppliers

Doing business in an honest and fair manner with our suppliers means that employees responsible for buying or leasing materials and services on behalf of the Company must do so objectively. We choose to deal with our suppliers on the basis of the price, quality and desirability of their goods and services.

Employees must not accept or seek out any benefit from a supplier or potential supplier that would compromise their judgment or create an appearance that their judgment would be compromised.

Our Competitors

It is the Company's policy to compete aggressively for new and existing business based on our superior product quality, innovation, technical competence, support and service, and competitive pricing. Accordingly, false, misleading, or disparaging statements or innuendo about our competitors, their products, or their services, or false or misleading statements about our Company and its products and services, will not be tolerated. All comparisons of our products and services with those of our competitors, and all claims about our products and services, must be accurate and factually supported.

Our Employees

The Company recognizes that its employees are its most valuable resource. The Company values the contributions that each employee makes and is committed to treating every employee with dignity and respect. This includes preserving the confidentiality of employee records in compliance with applicable law and refraining from unwarranted intrusions into employees' privacy.

Protection and Use of Company Assets

Safeguarding the Company's assets and the assets of others entrusted to the Company is the responsibility of all employees and directors. Theft, carelessness, and waste have a direct impact on the Company's profitability. We should use such assets efficiently



and maintain such assets with care and respect, while guarding against waste and abuse. Look for opportunities to improve performance while reducing costs. The use of Company time, materials, assets, or facilities for purposes unrelated to the Company's business, or the removal or borrowing of Company property, is prohibited, except where such use or removal is for purposes of supporting the occasional community service activity which has been endorsed by the Company and where such use or removal has been approved by our supervisor. For these purposes, the Company's assets include cash, inventory, equipment, computer software, computer data, vehicles, records or reports, non-public information, intellectual property or other sensitive information or materials and telephone, and voice-mail or e-mail communications.

Books and Records

U.S. law requires the Company to make sure that its books and records accurately and fairly reflect the transactions of the Company and its financial condition. A system of internal accounting controls must be maintained by the Company to provide reasonable assurances of adequate controls over the quality of our books and records at all levels. Employees are expected to cooperate fully with our internal and independent auditors. In particular, the following requirements must be strictly observed by all employees:

Access to Company Assets, Execution of Transactions

Access to Company assets and the execution of transactions must be properly authorized by management. All transactions with the Company must be recorded accurately on the Company's books and records in accordance with all applicable laws and generally accepted accounting principles followed by the Company.

Accurate Books

The Company's books and records must accurately and fairly present the results of operations and the financial condition of the Company. False or misleading entries are strictly prohibited, and the Company will not condone any undisclosed liabilities or unrecorded bank accounts or other unrecorded assets established for any purpose.



Proper Payments

No employee may authorize payment of Company funds knowing that any part of the payment will be used for any purpose other than the purpose described in the documents supporting the payment.

Prohibited Conduct

No action may be taken to, directly or indirectly, defraud, influence, coerce, manipulate, or mislead any other employee, officer or director, or any independent auditor or lawyer for the Company for the purpose of rendering the books, records, or financial statements of the Company incorrect or misleading.

Reporting of Errors

Each employee has an obligation to inform his or her immediate supervisor or the Company's Chief Financial Officer or Chief Executive Officer of any errors, or possible errors or misstatements, in the Company's books and records, including its financial statements, promptly after such errors or misstatements are discovered or suspected.

Internal Controls

The Company's system of internal accounting controls is the backbone of the integrity of the Company's financial records and financial statements. It is important that all employees comply with the internal controls that have been established.

Each employee has an obligation to report any actual or suspected breaches or violations of the Company's internal controls to the Company's Chief Financial Officer or Chief Executive Officer promptly after such breaches or violations are discovered.

Each employee shall report any actual or suspected fraudulent or questionable transactions or occurrences that come to the attention of the employee to the Chief Financial Officer or Chief Executive Officer after they come to the attention of the employee. Potentially fraudulent transactions include, without limitation,



embezzlement, forgery or alteration of checks and other documents, theft, misappropriation, or conversion to personal use of Company assets, and falsification of records.

Government Officials/Employees – Gifts, Payments, Etc.

The United States and many other countries have laws or rules which impose restrictions on the value of any gift which we may wish to make to government officials and employees. It is the policy of the Company to comply with all of those laws and rules.

In addition, the U.S. securities laws prohibit the Company, or anyone acting on behalf of the Company, from making a payment or giving a gift to an official of any foreign government for purposes of obtaining or retaining business. This law applies to every country in which we have business and to every employee regardless of citizenship. A violation of this law occurs when a payment is made to a government official with the knowledge that the payment will be used to unlawfully gain or maintain business or direct business to someone else. Under the law, knowledge is imputed where the circumstances make it fairly obvious that an illegal payment will occur, even if the employee or agent did not actually know the payment would be made.

Before making any payment, or giving anything of value, to a government official, employees should consult with the Company's General Counsel.

Commercial bribery of any nature is a violation of Company policy and is unlawful. Employees are strictly prohibited from offering any form of bribe, kickback, or other like payment to any person.

Investigations; Disciplinary Action

Allegations of potential wrongdoing will be investigated promptly and will be reported to the Chief Financial Officer. Knowingly false allegations of misconduct will be subject to disciplinary action. All employees are required to cooperate fully with any internal or external investigation. Employees must also maintain the confidentiality of any



investigation and related documentation, unless specifically authorized by the Chief Financial Officer.

Appropriate disciplinary penalties for violations of this Code may include counseling, reprimands, warnings, suspensions (with or without pay), demotions, dismissals, and restitution. Disciplinary action may also extend to a violator's supervisor insofar as the Company determines that the violation involved the participation of the supervisor or reflected the supervisor's lack of diligence in causing compliance with this Policy, including the failure to report the violation on a timely basis in a manner provided in this Policy. Any person who takes any action whatsoever in retaliation against any employee who has in good faith raised any question or concern about compliance with this Policy will be subject to serious sanctions, which may include dismissal for cause.

Where to Turn for Advice

Employees who have any question or concern about a legal or ethical standard are encouraged to raise the matter first with your line management. You may also get help or advice from your Human Resource representative.

If you are not satisfied with the response of your line management, your Human Resource representative, or if you believe it would be futile to raise your concerns with those employees, then you can contact the Chief Financial Officer.

You may contact a member of the Board of Directors to report concerns which you, in good faith, believe may fall within the scope of one of the following matters:

- diversity, equal opportunity compliance
- conflicts of interest
- compliance with laws, rules and regulations and fair dealing
- accurate books and records
- environmental, health & safety
- misuse or misappropriation of assets