

The Flexitallic Group

Environmental, Safety and Governance Policy (ESG)

Corporate Governance – We have strong financial controls and compliance with a clear code of conduct for all our dealings in the marketplace.

Contributing to customers' compliance programs - We respect all customer compliance requirements in full and deliver products of the highest quality.

New Product Development – We ensure new products provide superb sealing, use the best materials and create minimum waste.

Human Resource Management – We have global policies on key issues such as diversity, ethics, incentives and rewards, and training and development.

Environment and Health & Safety Management – We meet all regulatory requirements relevant to each operation. We have a global Health and Safety policy designed to eliminate injuries and unsafe conditions. We strive to reduce waste and minimize our impact to the environment.

Supply Chain Management – We ensure that our suppliers meet all necessary requirements for our end users and meet our internal quality standards.

Community & Charity Involvement – We encourage volunteering in the communities where our employees live and work.

The Flexitallic Group Environmental Policy

The Flexitallic Group recognizes that care for the environment is a primary responsibility, and the impact our activities may have on the environment will always be considered when business decisions are made.

The most significant contribution we can make to the environment is ensuring our sealing products provide the tightest seal possible within the constraints of the particular application. We will continually strive to offer the industry's best sealing products and ensure that our customers have the appropriate product for their particular application. We will accomplish this result by continually improving our materials, processes and products while keeping their environmental impact in mind. In doing so, we will reduce fugitive emissions and leaks of volatile chemicals to the environment, making the world safer and cleaner through engineered sealing solutions.

The Flexitallic Group will take all reasonable steps to minimize waste and, wherever practicable and viable, salvage materials for recycling or re-use and endeavor to reduce our emissions to the atmosphere. The Company will conserve energy and work to improve the efficiency of the products it manufactures and of its own internal operations.

We will ensure our employees are aware of our policy and understand the role they play in helping to reduce the environmental impact of our operations through the provision of regular training and awareness.

The primary responsibility for implementing The Flexitallic Group environmental policy rests with the general managers of our individual group companies.

The Flexitallic Group Ethics Policy

Our Commitment

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, as reflected in Our Guiding Principles. 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.

Our Guiding Principles

- Our Ethics Policy applies equally to all employees, officers and directors
- We obey the laws, rules and regulations of all countries where we conduct business
- We do not tolerate, and we actively oppose, corruption in our businesses
- We comply with all laws on a global basis
- We ensure our books and records are accurate, complete and maintained according to the recognized accounting principles, industry best practices and all applicable laws
- We use assets of the Company, such as email, Internet access, telephones and computers responsibly and honorably
- We act in the best interests of the Company, and we spend its money solely for the business purposes of the Company
- We are committed to providing safe, quality products and services. We address and do not hide risks or mistakes
- We protect the privacy of all individuals
- We communicate accurately with our customers, our vendors and the public
- We are inclusive, value diversity and support our global team members in realizing their potential
- We respect freedom of association and obey all laws on working hours and compensation
- We safeguard the health and safety of our global team members
- We believe in vigorous competition and do not use illegal or unethical means to gain an advantage over a competitor
- We protect the confidential information of The Flexitallic Group and its group companies and respect the confidential information of our customers and competitors
- We comply with all applicable environmental laws and regulations.

- We endeavor to minimize any detrimental impact on the environment through waste reduction and efficiency improvement.

Reporting Concerns, Asking Questions

We are all responsible for protecting our culture of Integrity. A potential violation is a serious matter. If you see something or are unsure if something potentially violates our Ethics Policy or any of Our Guiding Principles, speak up!

We expect everyone to let us know about any suspected violation of our Ethics Policy. ¹

We do not tolerate retaliation against anyone for raising good faith concerns.

How do I make a report or raise a concern about potential violations of the Ethics Policy?

If you have a question about our Ethics Policy or you are concerned about a potential violation of our Ethics Policy, you have a number of options:

1. Discuss the issue with your supervisor
2. Discuss the issue with another supervisor or manager
3. Contact your Human Resources Department or the Global Legal Counsel ²

You may contact the Human Resources Department or the Global Legal Counsel to report concerns or ask questions confidentially.

No Retaliation Policy

The Flexitallic Group and its group companies do not tolerate retaliation for asking questions or raising good-faith concerns of possible violations of the Ethics Policy.

Violations of the Ethics Policy

Your concerns are taken very seriously. We will investigate reports of possible violations of the Ethics Policy. All employees are expected to fully cooperate with investigations conducted by the Company. Violations of the Ethics Policy are subject to disciplinary action up to and including termination.

¹ If you have concerns about the conduct or practices of any suppliers, customers or other third-parties, please refer to The Flexitallic Group Anti-Corruption Policy.

² The contact information for the Global Legal Counsel is:

Howard R. King
Phone: (281) 604-2586
Mobile: (832) 544-0737
Email: hking@flexitallic.com

To make an ethical decision, ask yourself these questions:

- Is it legal?
- Does it follow the policies and procedures of The Flexitallic Group and its group companies?
- Is the action or decision consistent with the letter and spirit of the Ethics Policy? (When in doubt, ask – talk to your manager or supervisor, or the Global Legal Counsel.)
- What would others think of my decision or action? (How would it make me feel if my action or decision were known to my family? My friends? My co-workers? How would I explain it to those affected by my action or decision?)
- How would I feel if my actions appeared in the news media, on television or on the Internet?

Adherence to this Ethics Policy is a condition of employment with The Flexitallic Group and each of its group companies. However, this requirement of behavior does not create an employment contract or an offer of employment.

This Ethics Policy is not all-encompassing. Bring questions about situations not discussed here to your supervisor, another supervisor or manager, the Global Legal Counsel, or the Human Resources Department.

Waiver: Any waiver of this Ethics Policy for anyone covered by the Policy who is not an executive officer or director of The Flexitallic Group may be made only by the Chief Executive Officer of The Flexitallic Group in writing. Any waiver of this Ethics Policy for an executive officer or director of The Flexitallic Group shall be made in writing by the Board of Directors of The Flexitallic Group.

The Flexitallic Group retains the right to modify this policy or any of its sections at any time, to make it more adaptable to the evolving needs of The Flexitallic Group, any of its group companies, their respective employees and customers or applicable laws.

Any alleged violation of this Ethics Policy by any executive officer of The Flexitallic Group or any of its group companies should be reported to the Board of Directors of The Flexitallic Group, the CEO of The Flexitallic Group or the Global Legal Counsel.

The Flexitallic Group Quality Policy

Our Mission: Making the World Safer and Cleaner through Engineered Sealing Solutions

Quality is a core value to accomplishing our Mission. We strive to manufacture products of the highest quality. We are committed to being our customers' Preferred Provider.

We meet or exceed our customers' expectations through our commitment to following principles:

C - Continuous Improvement
A - Alignment of Goals
R - Responsibility and Respect
E - Continuous Education

Our adherence to these principles allows Flexitallic to produce Best in Class products in a safe work environment while:

- Identifying and satisfying customer requirements with our products and services.
- Constantly developing our employees to ensure competency that meets or exceeds this policy.
- Providing a safe working environment and consulting with our employees on health and safety matters.
- Complying with applicable statutory legislation and other recognized industry standards
- Continually improving the effectiveness and efficiency of our businesses and associated management systems.
- Preventing environmental impacts such as pollution, while encouraging reuse and recycling.
- Working with suppliers, customers and the local community in mutually beneficial ways.
- Using the above principles as a framework to establish and review objectives and targets.
- Making certain this policy is understood within our Company, revised as needed to enhance our products, and available publicly.

The Flexitallic Group Safety Policy

Our Mission:

Making the World Safer and Cleaner through Engineered Sealing Solutions

Our Safety Culture

Safety is a core value in accomplishing the mission of The Flexitallic Group. Safety takes precedence over expediency. Employee safety and health are to be the foremost consideration in the operation of our business. Safe practices on the part of our employees must be incorporated in all operations.

We will make every reasonable effort to reduce the potential for accident occurrence. Protection of employees, the public, our equipment, our property and any customer's property is paramount. Management considers no phase of work more important than the safety and health of our employees.

It is our policy and practice that all safety, health, and environmental rules be strictly adhered to at all times. If a rule has been omitted or overlooked, it does not excuse carelessness or lack of common sense in the performance of job duties.

Employees must understand their personal responsibility for the prevention of accidents and injuries on and off the job. Accident prevention and effective production go hand-in-hand.

Behavioral Approach

Behavior is the main factor for the prevention of accidents. We believe every time an accident occurs, the root causes can be traced to someone's behavior. We have implemented policies and programs that encourage employees to engage in dialogue with their peers and management about safe and at risk behaviors.

We expect and require proactive communication and education among our employees, management, contractors, and other stakeholders regarding our safety policies, identifying risks and reducing them in our workplace.

Safety is a team effort. We will provide safety training to all employees. If you are not sure of how to perform a task safely, stop and ask a qualified person for guidance or help.

Reporting of Incidents

Every injury must be reported immediately to your supervisor, management or human resources. Even a slight cut or strain injury must be reported immediately. Serious injuries that require emergency medical care must be reported to management immediately after emergency care has been provided.

Unsafe conditions should be reported immediately, regardless of whether there is an incident or injury.

All accidents will be thoroughly investigated. Employees must cooperate with management during any accident or injury investigation.

Provision and Use of Personal Protective Equipment

We will provide our employees and others who may be exposed with appropriate and effective personal protective equipment (PPE). **The use of PPE is not an option, it must be worn for your own safety.**

Continuous Improvement

We will work continually toward improvement of workplace safety as well as our safety policies and procedures. It is our intent to provide a safe and healthful work environment, in all areas, for all employees, customers, vendors and other visitors. Accidents and injuries are prevented by controlling the work environment and actions of employees.

Abuse of, or disregard for, safety is a violation of this policy and will be treated accordingly. Assistance in preventing accidents and incidents benefits not only yourself, but also your fellow employees.

Management will continue to be guided and motivated by this policy, and with the cooperation of all employees, will actively pursue a safer working environment throughout The Flexitallic Group.

ALL INJURIES CAN AND SHOULD BE PREVENTED

The Flexitallic Group Anti-Corruption Policy

Management Statement

This statement of the Company's policy on preventing corruption applies to The Flexitallic Group, SAS, FGI Acquisition Corporation, SIEM Supranite SAS, Novus Finance, Ltd, New Seal Finance, Ltd. and all their respective subsidiary and affiliated companies (collectively "Flexitallic").

Flexitallic does not and will not tolerate bribery or any other corrupt business practices on the part of its employees, officers, directors or any person or entity performing any work or services with Flexitallic, for Flexitallic or on behalf of Flexitallic. Our policy is one of "zero-tolerance" of bribery, any other corrupt business practices, or any violation of this Policy; specifically including any failure to detect, investigate or report any suspicious activity that may suggest bribery.

Jon Stokes
President and Chief Executive Officer

Policy Statement – Anti-Corruption

Flexitallic is dedicated to ensuring full compliance with all anti-bribery and corruption laws and regulations on a global basis.

Objective of this Policy

This policy provides a coherent and consistent framework to enable Flexitallic employees, directors and associates to understand and implement arrangements that will comply with anti-bribery laws and maintain the highest standards of business ethics, honesty, and integrity that are expected of Flexitallic, its employees, directors and associates. In conjunction with related policies and key documents, this policy will also enable employees to identify and effectively report a potential breach of this policy.

Flexitallic requires that all employees, directors and associates:

- Act honestly and with integrity at all times and to safeguard the organization's resources for which they are responsible.
- Comply with the spirit, as well as the letter of the laws and regulations of all jurisdictions in which Flexitallic operates.

Scope of this Policy

This Anti-Corruption Policy extends to all of Flexitallic's business dealings, transactions and activities in all countries in which it or its subsidiaries and associates operate.

Within Flexitallic, the responsibility to control the risk of bribery and corruption resides at all levels of the Company. It does not rest solely within assurance functions, but in all business units and corporate functions.

This Policy applies to all **Staff**, including all levels and grades, directors, permanent employees, temporary employees, contractors, agents, volunteers and consultants.

This policy also applies to all **Associates** of Flexitallic

An “**Associate**” is any person or entity, associated in any degree with Flexitallic who:

- (1) has any connection to obtaining or retaining business or any other economic benefit for or on behalf of Flexitallic; or
- (2) who performs work of services with Flexitallic, for Flexitallic or on behalf of Flexitallic.

This definition necessarily includes, but is not limited to, all contractors, subcontractors, business partners, vendors, suppliers, agents, sub-agents, consultants, distributors (allied or otherwise), and any other person acting on Flexitallic’s behalf.

Employees who Deal with Third-Parties

Compliance with the Anti-Bribery Statutes demands the attention of each Flexitallic employee who negotiates with, or facilitates payments and/or transfers of value to Government Officials, vendors and business partners. This necessarily includes all employees whose duties include supervising or enforcing financial controls, accounting controls or compliance controls. It is important that any suspicious activity suggesting the possibility of bribery involving any employee, director or associate be reported to the designated Anti-Corruption Coordinator, your Finance Director, and/or Human Resources, so it can be detected investigated and remedied by Flexitallic. Employees who are in positions that fall into this category (Employees Who Deal with Third Parties) must sign the Acknowledgement (Addendum 1) that confirms their understanding that any violation of this Policy or the Anti-Bribery Statutes will result in the immediate termination of their employment with Flexitallic.

Prohibited Conduct

Any conduct that would constitute bribery, or an improper or unethical transaction or expenditure, whether given or received, is a violation of this Policy.

Any failure to report a suspicious activity that might be bribery or a corrupt business practice or any failure to investigate such a report is a violation of this Policy.

Our Expectations

Flexitallic expects its employees, directors and associates to demonstrate honesty, integrity and fairness in all aspects of their business dealings and exercise appropriate standards of professionalism and ethical conduct in all their activities. To use a third party as a conduit to channel bribes to others is a criminal offence.

Flexitallic is committed to conducting its business with integrity underlying all relationships, including those with citizens, customers, suppliers, associates, communities, and among employees. The highest standards of business conduct are required of all employees in the performance of their responsibilities. Employees, directors and associates will not engage in conduct or activity that may raise questions as to Flexitallic's honesty, impartiality or reputation or otherwise cause embarrassment to Flexitallic. Employees, directors and associates will avoid any action, whether or not specifically prohibited in Flexitallic's policies, which might result in or reasonably be expected to create an appearance of:

- encouraging a public official to use the official's position for improper purposes;
- inducing a business partner to use their position to improperly obtain a business advantage;
- giving preferential treatment to any person or entity;
- using the associate's position for improper personal gain;
- failing to exercise impartial business judgment; and/or
- adversely affecting the confidence of the public in the integrity of Flexitallic.

Mandatory Reporting Requirements

Any Flexitallic employee who has knowledge of facts or incidents which he or she believes may be in violation of the Anti-Bribery Statutes has a mandatory obligation, promptly after learning of such fact or incident, to report the matter to the designated Anti-Corruption Coordinator, your Finance Director, and/or Human Resources. Any employee who fails to make a timely report of a possible violation of the Anti-Bribery Statutes about which they may have knowledge is subject to discipline, including the termination of employment.

Flexitallic requires and encourages all of its employees, directors and associates to report any suspicious activity that may violate this Policy. It is important that all employees, directors and associates comply with this Policy, especially its mandatory reporting requirements, so that any possible bribery or other corrupt business activities can be detected, investigated and remedied by Flexitallic.

There is a confidential and discrete way to report any violations or suspicious activity that is described below in **Raising a Concern**.

Flexitallic's Commitment to Action

Flexitallic commits to:

- Setting out a clear anti-corruption policy and keeping it up to date.
- Ensure a systematic approach to risk assessment of the nature and extent of bribery risk associated within its industries and global markets, including, but not limited to, appropriate due diligence regarding associates and subsequent merger and acquisitions partners.
- Detecting bribery and any other corrupt business practices through testing of internal controls; establishing, exercising, and implementing effective contract management procedures; exercising contractual audits to ascertain whether associates have engaged in any inappropriate conduct on behalf of Flexitallic; and maintaining an effective system that detects, investigates and disciplines inappropriate conduct by Flexitallic employees, directors and associates.
- Making all employees aware of their responsibilities to adhere strictly to this Policy at all times, including their mandatory duties to properly and timely report suspicious activities.
- Providing specific training for its Employees Who Deal with Third-Parties, so that they can recognize and avoid the use of bribery.
- Encouraging its employees to be vigilant and to report any suspicion of bribery; providing them with suitable channels of communication; and ensuring sensitive information is treated appropriately in a confidential manner to a designated senior manager.
- Ensure that all our Associates are fully aware of their responsibility and commitment to comply with Flexitallic's Anti-Corruption Policy.
- Taking appropriate tailored action against any individual(s) involved in bribery.
- Provide guidance, instruction and information to all employees, directors, and associates, so they are informed how to report breaches and suspected breaches of this Policy.
- Include appropriate clauses in contracts to prevent bribery.

Specific Conduct to be Avoided

Bribery

“Bribery” means the offering, promising, giving, accepting, agreeing to receive or soliciting, directly or indirectly, through any other person or entity any financial or other advantage to induce or reward any person or entity for the improper performance of their function or activity.

It is unacceptable to:

- Give, promise to give, or offer a payment, gift, charitable contribution, political contribution, hospitality, or any other inducement with the expectation or hope that any

business, goodwill, business relationship, action or inaction will be obtained, retained or result prospectively or retrospectively.

- Give, promise to give, or offer a payment, gift or hospitality to a foreign government official, agent or representative to "facilitate" or expedite a routine procedure.
- Accept payment from a third party, if you know or suspect, it is offered with the expectation that it will obtain a business advantage for them.
- Accept a gift or hospitality from a third party, if you know or suspect, it is offered or provided with an expectation that a business advantage will be provided by us in return.
- Retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy.
- Engage in any activity in breach of this policy.

Facilitation Payments

Flexitallic prohibits "Facilitation Payments", because such payments are bribes and illegal. "Facilitation Payments" are commonly small payments made to secure or speed up routine actions; usually by foreign public officials, such as issuing permits, immigration controls, providing services or releasing goods held in customs.

If you have doubts about a payment and suspect that it might be considered a "Facilitation Payment", refrain from making the payment until you can contact the designated Anti-Corruption Coordinator, your Finance Director, your HR Director or a member of senior management in your Flexitallic company and obtain advice on whether the payment violates this Policy.

Activities with Government Officials Requiring Evaluation

All transactions with **Government Officials** must be scrutinized carefully. Flexitallic prohibits the offer or receipt of gifts, charitable donations, political donations, hospitality, entertainment or reimbursed expenses to **Government Officials** whenever they could affect or be perceived to affect the outcome of business transactions and are not reasonable, proportionate and bona fide.

- A "gift" is any item of value given on Flexitallic's behalf. Examples include gift baskets, items (such as golf balls or polo shirts) imprinted with the Flexitallic logo, and tickets for entertainment (if an employee of Flexitallic will not accompany the recipient to the event).
- "Hospitality" refers to anything of value given to another individual by or on behalf of Flexitallic in connection with a business purpose. Examples include travel, lodging, meals, and tickets for entertainment (if an employee of Flexitallic will not accompany the recipient to the event).

- A “charitable donation” is any payment or other support given to a charitable organization or a non-profit entity that provides a public benefit, regardless of whether the entity has been formally incorporated or organized under applicable law.
- A “political donation” is any payment (or other in kind contribution) made to a political party, official, candidate, or organization formed for the purpose of influencing the political process.

“**Government Official**” includes any elected and appointed officials of any government (including legislative, administrative and judicial functions), any employees of a government agency, any employees of an entity owned or controlled by a government or government agency, any official of a public international organization (such as the United Nations or the World Bank), or any member of a royal family.

Example criteria to be utilized to determine if a gift, hospitality, entertainment or reimbursed expense can be made to a **Government Official** under this Policy are as follows:

1. **Made for the Right Reason.** Gifts, hospitality, entertainment or reimbursed expenses are allowed only when they directly promote or explain Flexitallic’s products and services. They may not be provided to any Government Official for establishing or maintaining goodwill, or establishing or improving relationships.
2. **Made Openly with No Obligations or Expectations.** The gift, hospitality, entertainment or reimbursement of expense provided to a Government Official should be made openly, never in secret, and it should not place the recipient under any obligation to provide the giver or associate of the giver any higher importance than would ordinarily be placed on such a transaction; nor should it provide the giver or associate of the giver any expectation of favorable treatment.
3. **Reasonable Value and Appropriate:** the size of the gift is small, and the value and nature of the hospitality, entertainment or reimbursed expense provided to the Government Official must be appropriate to the relationship and the relative value attributed to it in the foreign country. For example, a \$100 gift in the United States may not be appropriate in a foreign country where \$100 may represent the monthly salary of an individual.
4. **Appropriate Timing:** the provision of gifts, hospitality, or reimbursement of expenses to Government Officials should be very infrequent and never coincide with any award of any contract or tender of any bid.
5. **Legality:** Any gift, hospitality or reimbursement of expenses provided to a Government Official must comply with all applicable laws. If there is any doubt, the Anti-Corruption Coordinator must be consulted in advance.
6. **Documentation and Reporting:** the expense related to the gift, hospitality or reimbursement of expense provided to a Government Official must be fully

documented and reported including its purpose to Senior Management and the Anti-Corruption Coordinator in advance of approval.

- 7. Approval and Recording:** All approvals given for any gift, hospitality or reimbursement of expense provided to a Government Official shall be documented and shall be properly recorded in the financial accounts of the involved Flexitallic company.

All gifts, hospitality, entertainment and reimbursed expenses provided to Government Officials will be evaluated using these criteria and the factual circumstances of the transactions in question. We also expect our employees, directors and associates to make their own evaluation of these criteria before giving any gift, hospitality or reimbursed expense to or from any Government Official. In addition to being recorded in the appropriate financial records of the involved Flexitallic company, all gifts, charitable donations, political donations, hospitality and reimbursed expenses to foreign government officials should be reported separately to and recorded by the Anti-Corruption Committee for the purposes of tracking.

The foregoing criteria should also be used by Flexitallic's employees before they accept any gift, hospitality, or reimbursement of any expense from any Government Official. All such gifts, hospitality, entertainment and reimbursed expenses must be reported to your Finance Director and the Anti-Corruption Committee promptly upon receipt and they shall be recorded in the appropriate financial records and the records of the Anti-Corruption Committee for purposes of tracking.

Charitable donations and political donations are patently suspicious activities when made to a Government Official and should never be made without consulting the designated Anti-Corruption Coordinator in advance. The foregoing listed criteria should also be used when either making or receiving any political donation or charitable donation that involves a Government Official.

Due Diligence Related to Associates and Others

Flexitallic expects its associates to be able to fully comply with this Policy. In that regard, the Anti-Corruption Coordinator and Anti-Corruption Committee will periodically review the questionnaires and criteria utilized by the Flexitallic companies when they contract and select associates and/or renew relationships with associates. These questionnaires and criteria must address each associate's own anti-corruption compliance programs, their respective history regarding anti-corruption compliance, and any remedies or actions they may have taken to enhance their anti-corruption compliance activities, in addition to the financial, performance and production criteria that may also be used to qualify them as associates.

In the instance of due diligence related to possible merger and acquisition partners, Flexitallic's senior management will develop custom due diligence criteria that includes a potential partner's anti-corruption compliance programs, history, enforcement and its fit with this Policy.

Staff Responsibilities

You must:

- Ensure that you read, understand and comply with this Policy
- Raise concerns as soon as possible; if you believe or suspect that a conflict with this policy has occurred, or may occur in the future.

As well as the possibility of civil and criminal prosecution, employees that breach this Policy will face disciplinary action, which could result in summary dismissal for gross misconduct.

Raising a Concern

Flexitallic is committed to ensuring that all of us have a safe, reliable, and confidential way of reporting any suspicious activity.

We all have a responsibility to help detect, prevent and report instances of bribery. If you have a concern regarding a suspected instance of bribery or corruption; please speak up—your information and assistance will help.

If you have any concerns or suspect an instance of bribery, please immediately contact the designated Anti-Corruption Coordinator, Howard King, your Finance Director and/or your Human Resources Director. You may also raise your concerns anonymously by an email sent to anticorruption@flexitallic.com.

In the event that an incident of bribery; corruption, or wrongdoing is reported, we will act as soon as possible to evaluate the situation.

Staff who refuse to accept or offer a bribe; or those who raise concerns or report wrongdoing can understandably be worried about the repercussions. Flexitallic aims to encourage openness and will support anyone who raises a genuine concern in good faith under this policy, even if their suspicions turn out to be mistaken.

Flexitallic is committed to ensuring nobody suffers detrimental treatment through refusing to take part in bribery or corruption, or because of reporting a concern in good faith. If you have any questions about these procedures, please contact the designated Anti-Corruption Coordinator and your Human Resources Director.

ADDENDUM 1

ACKNOWLEDGEMENT OF FLEXITALLIC'S ANTI-CORRUPTION POLICY AND ANTI- BRIBERY STATUTES

The Undersigned _____, acknowledges that:

1. He/she is an employee of _____ a subsidiary or affiliated company of _____ (“Flexitallic”) who negotiates on behalf of Flexitallic with customers, associates, foreign government officials, or who facilitates payments or transfers of value to foreign officials, associates, and other third parties on behalf of Flexitallic, including duties related to supervising or enforcing Flexitallic’s financial controls, accounting controls or compliance controls (Employees Who Deal with Third-Parties).
2. He/she has completely read and is familiar with Flexitallic’s Anti-Corruption Policy.
3. He/she acknowledges and understands Flexitallic’s Anti-Corruption Policy applies to all of Flexitallic’s business dealings, transactions and activities in all countries in which it or its subsidiaries and associates operate. An “Associate” is any person or entity, associated in any degree with Flexitallic who:
 - (a) has any connection to obtaining or retaining business or any other economic benefit for or on behalf of Flexitallic; or
 - (b) who performs work of services with Flexitallic, for Flexitallic or on behalf of Flexitallic.

This definition necessarily includes, but is not limited to, all contractors, subcontractors, business partners, vendors, suppliers, agents, sub-agents, consultants, distributors (allied or otherwise), and any other person acting on Flexitallic’s behalf.

4. He/she acknowledges and certifies that he/she has not previously violated any Anti-Bribery Statute while employed by Flexitallic.
5. He/she acknowledges and understands if he/she has or acquires knowledge of facts or incidents which he/she believes may be in violation of any Anti-Bribery Statute or Flexitallic’s Anti-Corruption Policy, he/she has an affirmative obligation, promptly after learning of such fact or incident, to report the matter to the designated Anti-Corruption Coordinator and Human Resources.
6. He/she acknowledges and understands Flexitallic takes bribery and corruption very seriously, and Flexitallic will not tolerate bribery or corruption in any form and has a “zero tolerance” approach to any breach of this policy. All directors, employees and associates of Flexitallic are required to comply with this policy.

7. He/she understands that any violation of Flexitallic's Anti-Corruption Policy or any Anti-Bribery Statute is grounds for immediate termination of employment.

Date

Employee



GIFTS, HOSPITALITY, ENTERTAINMENT, REIMBURSED EXPENSES CHARITABLE DONATIONS AND POLITICAL DONATIONS

Gifts, Hospitality Entertainment and Reimbursed Expenses

This Policy governs gifts, hospitality, entertainment and reimbursed expenses that may be exchanged between employees, directors and associates of Flexitallic and Commercial Recipients. Flexitallic prohibits the offer or receipt of gifts, hospitality, entertainment or reimbursed expenses whenever they could affect or be perceived to affect the outcome of business transactions and are not reasonable, proportionate and bona fide.

- A “gift” is any item of value given on Flexitallic’s behalf. Examples include gift baskets, items (such as golf balls or polo shirts) imprinted with the Flexitallic logo, and tickets for entertainment (if an employee of Flexitallic will not accompany the recipient to the event).
- “Hospitality” refers to anything of value given to another individual by or on behalf of Flexitallic in connection with a business purpose. Examples include travel, lodging, meals, and tickets for entertainment (if an employee of Flexitallic will not accompany the recipient to the event).
- “Entertainment” refers to anything of value given to another individual by or on behalf of Flexitallic where Flexitallic is providing meals, tickets or access to sporting events or other entertainment venues in the company of one or more Flexitallic employees for a business purpose.
- Reimbursed Expenses refers to any travel, meals, lodging, access, entrance, and/or registration expenses incurred by an individual to attend a conference, business meeting or similar activity where Flexitallic agrees to reimburse the person for the actual expenses incurred in such an endeavor

This Policy does not prevent commercial corporate hospitality. It does apply to gifts, entertainment. It requires a sensible approach to commercial corporate hospitality to be used to ensure that promotional business expenditure that seeks to improve the image, better present services or establish cordial relations is reasonable and proportionate under the circumstances.

“Commercial Recipients” are individuals and employees or representatives of purely commercial entities.

Specific examples of acceptable gifts, hospitality, entertainment and reimbursed expenses that may be exchanged between employees, directors and associates of Flexitallic and Commercial Recipients include the following:

- Lunch and/or dinner with vendors, customers or business partners, sometimes including spouses, as long as it is designed to enhance the business relationships between the parties and it is consistent with accepted business practices.
- Gifts of small value from vendors such as calendars, pens, etc.
- Tickets to events (such as sports, arts, etc.) are acceptable, as long as it is designed to enhance the business relationships between the parties and it is consistent with accepted business practices. If offered by a vendor, the vendor must accompany the Flexitallic employee, director or associate to the event; these vendor transactions are not to be solicited by the Flexitallic employees; and they must be approved by the employee's supervisor.
- Overnight outings are acceptable under the condition that individuals from either other companies or the vendor are in attendance. The Flexitallic employee must have prior approval from their supervisor or next level management.
- Gifts of perishable items usually given during the holidays such as hams, cookies, nuts, candy etc. are acceptable.
- Day outings such as golf, fishing, hunting, etc. are acceptable. If offered by a vendor, the vendor must accompany the Flexitallic employee on the outing; these vendor transactions are not to be solicited by the Flexitallic employees; and they must be approved by the employee's supervisor. Participation by the Flexitallic employee's family members is not acceptable.

The foregoing examples are for illustrative purposes only.

Criteria that must be utilized to determine if a gift, hospitality, entertainment or reimbursed expense can be made to a Commercial Recipient under this Policy are as follows:

- 1. Made for the Right Reason:** if a gift, it should be given clearly as an act of appreciation; if hospitality or entertainment, it should be designed to enhance business relationships between the parties; if reimbursed expenses, there should be a bona fide business purpose e.g. provision of airport transfers, dining or tickets to an event to facilitate a customer meeting or a meeting with business partners.
- 2. Made Openly with No Obligations or Expectations.** the gift, hospitality, entertainment or reimbursement of expense provided to a Commercial Recipient should be made openly, never in secret, and it should not place the recipient under any obligation to provide the giver or associate of the giver any higher importance

than would ordinarily be placed on such a transaction, nor should it provide the giver or associate of the giver any expectation of favorable treatment.

3. **Reasonable Value and Appropriate:** the size of the gift is small, and the value and nature of the hospitality, entertainment or reimbursed expense provided must be appropriate to the relationship and the relative value attributed to it in the foreign country. For example, a \$100 gift in the United States may not be appropriate in a foreign country where \$100 may represent the monthly salary of an individual.
4. **Accords with Accepted Business Practices:** the transaction must be consistent with accepted business practices in the United States, Canada, or the United Kingdom, and the fact that it merely comports with an “accepted practice” in the foreign country where the commercial recipient is located is not sufficient to establish compliance.
5. **Appropriate Timing:** the provision of gifts, hospitality, or reimbursement of expenses to a Commercial Recipient should be very infrequent and never coincide with any award of any contract or tender of any bid.
6. **Legality and Conformity with Recipient’s Rules:** Any gift, hospitality or reimbursement of expenses provided to a Commercial Recipient must comply with all applicable laws, and they must comply with the rules of conduct of the recipient’s organization. If there is any doubt, please consult your Finance Director in advance and the Legal Department, if necessary.
7. **Documentation and Reporting:** the expense related to the gift, hospitality or reimbursement of expense provided to a Commercial Recipient must be fully documented and reported, including its purpose, to management in advance of approval.
8. **Approval and Recording:** All approvals given for any gift, hospitality or reimbursement of expense provided to a Commercial Recipient shall be documented and shall be properly recorded in the financial accounts of the involved Flexitallic company.

All gifts, hospitality, entertainment and reimbursed expenses provided to a Commercial Recipient will be evaluated using these criteria and the factual circumstances of the transactions in question. We also expect our employees, directors and associates to make their own evaluation of these criteria before giving any gift, hospitality, entertainment or reimbursed expense to any Commercial Recipient.

The foregoing criteria should also be used by Flexitallic's employees before they accept any gift, hospitality, or reimbursement of any expense from any individual, employee or representative of a commercial entity. All such gifts, hospitality, entertainment and reimbursed expenses must be reported to your Finance Director and recorded appropriately.

Charitable Donations and Political Donations

- A "charitable donation" is any payment or other support given to a charitable organization or a non-profit entity that provides a public benefit, regardless of whether the entity has been formally incorporated or organized under applicable law.
- A "political donation" is any payment (or other in kind contribution) made to a political party, official, candidate, or organization formed for the purpose of influencing the political process.

Charitable donations and political donations are suspicious activities, and they should be made very rarely, if at all. If a charitable donation or political donation is to be made, it must be designed to actually enhance the business relationships between the parties; must be approved in advance by senior management; and it should be reviewed in advance by the Legal Department. The foregoing listed criteria should also be used when either making or receiving any political donation or charitable donation that involves, directly or indirectly, a Commercial Recipient.