
1. INTERPRETATION AND OBJECTIVES

This policy must be interpreted and applied jointly with the other governance policies and the charters adopted by the Board.

As part of its corporate governance, TSO₃ has adopted and is strictly applying a set of charters and policies (hereinafter the “Internal Rules”) based on the highest standards of ethics as measured by our commitment to honesty, reliability and responsibility to our shareholders, our customers, our suppliers and our employees. These rules govern all our Company’s activities and must be complied by everyone: employees, executives, directors and suppliers.

The purpose of this policy is to provide a means by which all employee’s are able to raise, with any one of the responsible individuals stated below, concerns relating mainly to potential fraud, serious wrongdoing and/or professional malpractice, a violation of public or internal regulation governing the Company.

2. MANDATE

Multilateral Instrument 52-110 also requires that TSO₃, as an issuer and as a public company, to establish and implement a procedure for:

- a) The receipt, retention and treatment of complaints received by the issuer regarding accounting, accounting controls, or auditing matters; and
- b) The confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.

TSO₃ considers compliance with these regulatory provisions and its Internal Rules by its executives, directors, employees and suppliers to be a priority. TSO₃ is of the view that the breach of these rules affects the quality of all our operations and, in addition to possible legal sanctions, seriously harms its reputation, the excellence of which is and must remain one of its most valuable assets.

TSO₃’s employees, regardless of the nature of their duties or their level of responsibility, will normally be the first to discover or anticipate a breach of TSO₃’s Internal Rules or the regulatory requirements.

Such breaches must be reported.

No employee should fear that making such a report would be considered disloyal conduct toward the Company or his or her co-workers or fear, under such circumstances, that he or she will not be taken seriously, will be dismissed or harassed or will suffer any other form of retaliation.

In this regard, TSO₃ confirms the principles and terms it applies to encourage the reporting of any breach of ethics or of the law.

TSO₃ strongly encourages the reporting of any improper conduct an employee may notice in connection with his or her work or the activities of the Company. The following is a non-exhaustive list of the conduct in question:

- A criminal offence;
- Failure to comply with legal obligations;
- Actions or failure to act that could endanger health, security or the environment;
- Violation of our compliance policies and internal control;
- Fraud or deliberate error in the preparation, evaluation, review or audit of any of our financial statements;
- Fraud, embezzlement or any other questionable practice relating to the preparation or maintenance of our financial files;
- Misrepresentations or misleading statements made to or by an executive or any involved party in connection with the contents of our financial files, financial reports or audit reports;

(Hereinafter generally referred to as “Improper Conduct”)

When reporting Improper Conduct, we encourage you to provide as much specific information as possible, such as names, dates, places, documents, electronic data or links, events, etc.

The report may be made to a supervisor, manager or other employee in writing, by e-mail or by telephone, giving your name or anonymously, and any warning of Improper Conduct will be dealt with in the same manner.

To ensure the utmost confidentiality and security when reporting Improper Conduct, employees may also, if they prefer, submit their information in one of the forms indicated above exclusively to either of the following persons:

The Chairman of the Board

The Chairman of the Audit and Risk Management committee

TSO₃'s General Legal Counsel

Once every year, the management of the Company will provide to all employees written confirmation of the name and address of these three persons.

Counsel will receive your information and, throughout the ensuing process, abide by all professional secrecy rules he is required to follow regarding your identity, even before the courts, unless the person who provides the information clearly relieves him of this duty in writing.

Upon receipt, the complaint will be submitted and reviewed under the direction and oversight of the Audit Committee or, depending on the subject, the Corporate Governance Committee, which will determine the nature of the corrective action or sanctions to be taken depending on the circumstances. The person who reported the information will be kept informed of any developments.

If necessary, the information may also be reported to the police or the appropriate regulatory authorities.

All complaints and other reports will be taken seriously and kept confidential unless they must be disclosed as part of an investigation or if their disclosure is required by law.

You need not have absolute proof of Improper Conduct to report it but there must be some basis to it. It is not always easy to determine whether a particular situation constitutes Improper Conduct; sometimes, it is a matter of judgement or personal assessment of the situation.

We would always prefer that you use this policy to report your concerns rather than keeping them to yourself and not sharing them.

This Policy is not designed to address personal grievance concerning an individual's terms and conditions of employment, or other aspects of such individual's working relationship or disciplinary matters. Such complaints will be dealt with by the Human Resources department.

As long as you report information in good faith, even if it turns out that you were wrong or that your fear was unfounded, your concern and the steps you have taken will be appreciated and you will not be penalized by the Company.

Of course, to ensure the integrity of the procedure, we will not tolerate reports based on intentional falsification or those made with a clearly malicious intent. We will take sanctions against the author of any such report.

We may also take disciplinary steps against any officer or supervisor who directly or indirectly reprimands or penalizes an employee who uses this policy to report information or encourage his or her co-workers to do so.