

To All Directors and Employees of *Dover*\*:

*Dover* has a reputation not only for the quality of its products, but also for its high standard of business conduct.

To ensure the greatest protection for these most fundamental of values, The Board of Directors of *Dover* has formally set down in this Code of Ethics those principles and rules of conduct that will govern the Company's conduct and that of all its employees, Directors and business partners.

The following policy statements set forth principles that *Dover* expects you to observe and foster within the Company. The statements discuss some of the basic ethical issues you may confront - a broad range of issues with which all of us should be familiar.

No set of rules, however, can provide all the answers. We invite you, therefore, to read this document attentively and to discuss its content. Likewise, do not hesitate to contact your Divisional Vice President about any question or suggestion it provokes. It constitutes a charter of those values and rules of conduct that will secure our continuing enjoyment of the public's trust, a lasting source of pride for all of us.

A good reputation must be earned from day to day by conducting our business affairs in a fair, honest and lawful way. Your assistance in building that reputation in the past is deeply appreciated.

Mrs. K. L. Campbell  
Chairman of the Board

Mr. H. L. Rowley  
President & C.E.O.

\*Throughout the text of this document "*Dover*" refers to Dover Industries and/or all its subsidiary companies.

**DOVER INDUSTRIES LIMITED  
CODES OF ETHICS  
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## **Employees**

*Dover* cares about how it conducts its business. Since everything it does is a result of the decisions and activities of its employees, *Dover* expects them to comply with its high standards of integrity in carrying out their business transactions. At the same time, *Dover* is committed to applying those same high standards in all of its relationships with its employees.

*Dover* strives to maintain equality of opportunity for the employment, development and advancement of its employees. It compensates them through wages, salaries and benefits that are competitive with leading companies in its areas of business and that are commensurate with the value of the employee's contribution to *Dover*.

*Dover* is committed to maintaining a safe and healthy working environment for its employees. All employees of *Dover* are responsible for health and safety. (See separate 'Health & Safety Policy' and 'Environmental Policy'.)

*Dover* maintains accurate employee records and safeguards their privacy. It also seeks to encourage and support individuals, having regard to their personal needs, values and aspirations, in the development of their skills and abilities to meet both *Dover's* future needs for skilled and experienced people and to make the best use of each employee's capabilities.

Finally, *Dover* is committed to the policy that its employees or prospective employees will not be discriminated against or harassed as set out in the *Canadian Human Rights Act*, the *Employment Equity Act* of Canada, the *Ontario Human Rights Code* and the *Nova Scotia Human Rights Act*. (See 'Harassment' below.)

## **Non - Executive Directors**

Throughout the text of this document "Directors" refers to executive and non-executive Directors of *Dover*.

Further, for non-executive Directors, the policies contained in this document refer only to their conduct arising directly or indirectly from their engagement and involvement in the affairs of *Dover*.

## **Shareholders**

In accordance with Canadian business law, *Dover* endeavours to optimize profitability in order to provide an appropriate return to its shareholders.

*Dover* communicates with its shareholders candidly and promptly, and in compliance with mandatory disclosure requirements.

The Directors of *Dover* are responsible to ensure that the Company is managed in accordance with acceptable ethical, legal, financial and social standards for the benefit of all shareholders. All information with respect to annual and quarterly earnings, dividend declarations, changes in senior management, acquisitions, mergers, etc. will be given to the shareholders by the President and/or duly authorized officers of *Dover*, either directly or through press releases.

## **Customers**

Central to *Dover's* continued success is the development and maintenance of a growing body of satisfied customers. *Dover* does its best to understand its customers' reasonable requirements and concerns and to respond to those needs in an effective and timely fashion. *Dover* values its customers and endeavours to provide them, at competitive prices, with products that are produced to the highest levels of quality.

*Dover* requires that its employees ensure that the Corporation's relationships with its customers manifest the highest levels of integrity.

### **The Community**

*Dover* encourages its employees to participate in programs and projects that are community-focused. Subject to prior approval by their manager, *Dover* will make reasonable time available during working hours for such participation provided it does not deprive *Dover* of the time or attention necessary to ensure the proper performance of their duties.

*Dover* also encourages its employees to participate in the membership and leadership of professional and industrial associations or organizations and/or to provide professional and technical assistance to such groups. Subject to prior approval by their manager, reasonable time will be made available during working hours for such participation provided it does not deprive *Dover* of time or attention necessary to ensure the proper performance of their duties.

If an employee runs for public office or serves as a public official, he or she cannot be paid by, or receive employment benefits from, *Dover* for any time spent on political activities or in public office. The President of *Dover* must approve requests for time off for public duties.

It is also important to note that when an employee speaks out on any issue that it is explicitly understood that he or she does so as an individual and not on behalf of *Dover*.

### **Law**

It is Company policy that, in all operations, all Directors and employees of *Dover* strictly comply with the laws of the jurisdiction in which *Dover* operates. This requires Directors and Employees to be knowledgeable in respect of all applicable laws and regulations. Compliance with both the letter and the intent of the law is required.

Directors and appropriate employees must be cognizant of laws relating to such matters as: employment; human rights; health & safety; environmental protection; fair and honest competition; price discrimination; misleading advertising; deceptive marketing practices; and price maintenance. Penalties for breach of such laws include fines and/or imprisonment. Care must be taken not to contravene such legislation.

### **Political Contributions and Relationships**

*Dover* will promote and defend its legitimate business interests by cooperating with governments both directly and through trade associations in the development of proposed legislation or regulations; however, *Dover* does not support political parties nor contribute to groups whose direct activities promote party interests.

Use of *Dover's* funds, services or resources in the form of contributions to any political activity in Canada must be approved, in advance of any commitment being given, by the President.

No employee will be reimbursed by *Dover* for any contribution he or she chooses to make to a political cause, nor may any employee commit funds, services or resources of *Dover* to such purpose, without obtaining the prior approval of the President.

Political involvement by employees is encouraged on the clear understanding they are acting personally and not as representatives of *Dover*. Such involvement must not interfere with the time or attention necessary to ensure proper performance of the employee's duties to *Dover*.

## **Insider Trading**

Insiders (Directors, Officers and certain managers of *Dover* and its operating Divisions) must disclose all personal transactions involving *Dover* securities as may be required by law. (Refer to Corporate Secretary for assistance.)

Any information not yet disclosed to the public that could affect the market price of *Dover's* securities is considered inside information.

Any insider or any party with inside information must treat it as confidential and refrain from trading *Dover* securities for as long as such information remains inside information.

Without limiting the scope of the foregoing, no insider or any other party with inside information may trade securities of *Dover*

1. during a public issue of treasury shares until the delivery of such shares has been completed, unless the transaction has first been approved by the Board;
2. during the period that the insider/employee has privileged information; and
3. by selling short the Company's securities.

Additionally, insiders may only buy/sell the Company's securities during the period commencing 48 hours after a quarter's results are released to the shareholders, and for a period of six weeks thereafter, assuming that during such period the insider does not possess inside information.

## **Outside Directorships and Officerships**

Employees should not, as a general rule, serve as directors and/or officers of unaffiliated organizations without the prior approval of the President. Subject to the conflict of interest policy guidelines (below), such approval shall not be unreasonably withheld.

When an employee does assume external responsibilities such as membership on the board of a community organization or as a director of another company, he or she must make it clear that he or she is employed by *Dover* and abstain from participating in any decision or vote involving *Dover*, or any situation in which his or her primary responsibility to *Dover* could be in conflict with those external responsibilities.

## **Accounting Records and Practices**

*Dover* has a policy that all assets, liabilities, revenues and expenses must be accurately recorded in the Company's books and records. All transactions must be properly accounted for in accordance with *Dover's* accounting policies that are based on generally accepted accounting principles.

*Dover* has established effective controls that embody ethical and responsible business and administrative practices and conducts its affairs in accordance with the basic principles of those controls. All employees have a duty to maintain such policies and controls and to approve correct and accurate reporting to management and *Dover's* external auditors.

All employees have an obligation to report any concerns they have regarding the accuracy of the Corporation's financial reporting. Reports of any such concerns can be made directly to the Chair of the Board of Director's Audit Committee at:

[www.dovergrp.com/pages/contactscorporate.htm](http://www.dovergrp.com/pages/contactscorporate.htm)

## **Conflicts of Interest**

Directors and employees owe their first loyalty in business to *Dover*. They must avoid any situation where their personal interest might conflict with that of *Dover*.

Directors and employees shall at all times act within appropriate legal and ethical boundaries, being mindful of the fact that their actions may at all times be subject to close public scrutiny.

Conflicts of interest must be avoided in appearance as well as in fact. Notification of any situation that may present a conflict of interest should be sent under confidential cover to the Divisional Vice President or the President of *Dover*.

Directors and employees must avoid any interest or activity, other than reasonable time spent on community charitable activities, professional and industrial associations or organizations, which deprive *Dover* of the time or attention necessary to ensure the proper performance of their responsibilities.

An employee of *Dover* may not purchase, on *Dover's* behalf, goods or services from other employees, relatives or companies in which those persons are employed or own an interest, without the prior written approval of the Divisional Vice President.

An employee of *Dover* may not hire a relative to report directly or indirectly to them, without the prior written approval of the Divisional Vice President.

### **Improper Payments**

*Dover* shall not permit the slightest doubt to be cast on its credibility and integrity. Consequently, it requires that all persons acting in its name do so with honesty, good faith and fairness.

Employees are expected to take actions and make decisions based on an impartial and objective assessment of the facts of each situation, free from the influence of gifts and similar favours which might adversely affect their judgment.

Employees must behave in such a manner that they in no way suggest an attempt to obtain or to receive a bribe, rebate or improper payment. Employees must decline gifts and other benefits that could influence their judgment in the performance of official duties and prejudice the credibility and integrity of the Company.

Nonetheless, employees may accept offers of hospitality arising out of activities associated with the performance of their official duties and responsibilities provided these offers remain within the bounds of propriety or constitute a normal expression or courtesy or protocol. These must be of modest value and cast no doubt whatsoever upon the employee's objectivity and impartiality.

Fees and commissions can be paid to *Dover* only within normal business relations. Suppliers of goods and services shall be selected on the basis of quality, price, usefulness, or service to *Dover*.

Employees must behave in such a manner that they in no way suggest an attempt to give a bribe, rebate or improper payment. Employees must not offer gifts and other benefits that could influence customers' judgment.

Nonetheless, employees may make offers of hospitality arising out of activities associated with the performance of their official duties and responsibilities provided these offers remain within the bounds of propriety or constitute a normal expression or courtesy or protocol. These must be of modest value and cast no doubt whatsoever upon the customer's objectivity and impartiality.

Any employee of *Dover* who accepts or gives a prohibited benefit, or any company or person doing business with *Dover* that incites an employee of *Dover* to do so, is liable to sanctions including dismissal in the case of the employee and termination of business relations in the case of the company, or person. Such activities may also constitute an offence under the Criminal Code of Canada.

Notification of any situation that may present an improper payment should be sent under confidential cover to the Divisional Vice President or the President of *Dover*.

### **Fraud**

Fraud, which is a criminal offence, includes, but is not limited to, theft, embezzlement, overriding controls and misstatements for personal gain. It can be committed by employees and third parties.

Any employee of *Dover* who commits fraud, or any company or person doing business with *Dover* that incites an employee of *Dover* to do so, is liable, in addition to prosecution, to sanctions including dismissal in the case of the employee and termination of business relations in the case of the company or person.

Notification of any suspected fraud should be sent under confidential cover to the Divisional Vice President or the President of *Dover*.

### **Proprietary Information**

All Directors and persons who work for *Dover* learn, to a greater or lesser degree, facts about *Dover's* business methods, policies and decisions which are not known to the general public, or to its competitors. Such information is confidential and shall not be disclosed to the general public or to *Dover's* competitors.

Because this information is developed and obtained by Directors and employees in the course of their engagement or employment and for which *Dover* pays them a fee or salary, such items are the property of *Dover*.

Therefore, Directors and employees, except as their duties during their engagement or employment may require or as *Dover* may otherwise consent in writing, shall not at any time disclose or use, either during or subsequent to their engagement or employment, any information, knowledge or data received or developed by them and/or any former or current Director or employee of *Dover*, during their engagement or employment, which is considered proprietary by *Dover*.

### **Related Party Transactions**

*Dover* is obligated to disclose in its financial statements transactions between related parties during the financial year and balances owing to or from related parties at yearend. The Canadian Institute of Chartered Accountants has determined the disclosure requirements.

### **Harassment**

It is the policy of *Dover Industries Limited* to provide a working environment for its employees free from discrimination or harassment as required by law. As such, *Dover* will not condone personal harassment of, or by, any of its employees in the workplace or at any work-related functions.

It is Company policy that, in all operations, the Directors and officers of *Dover* shall recognize the human rights of every employee and provide opportunities without discrimination that is contrary to law, and maintain a climate of understanding and mutual respect for the dignity and worth of every employee so that every employee feels a part of the Company and able to contribute fully to the development and well-being of the Company.

Accordingly, every employee has a right to equal treatment without discrimination and to be free from harassment in the Company because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, gender, sexual orientation, age, record of offences, marital status, same-sex partnership status, family status or handicap/disability.

It is the responsibility of all managers and supervisors to ensure that their employees are not subject to harassment. *Dover* will take such disciplinary action, as it deems appropriate against any person under its direction who subjects any employee to harassment.

Harassment may be defined as any conduct - verbal, physical or by innuendo - directed at an individual that is known, or ought reasonably be known, to be unwelcome and is based on gender, marital status, family status, sexual orientation, race, colour, religion, place of origin, citizenship, ancestry, age, or handicap/disability and creates an intimidating, offensive or embarrassing environment.

Sexual harassment may be defined as: any conduct, comment, gesture, or contact of a sexual nature that is likely to cause offense or humiliation to any employee; a sexual advance or solicitation made by a person who is in a position to grant or deny benefits to another; and reprisal as a result of rejection by an employee when confronted with any unwelcome sexual advance or comment.

Employees who feel they are being subjected to harassment should:

1. Make their objection clearly known to the offender and ask them to stop.
2. Prepare and maintain a written record of the dates, times nature of the behaviour and witnesses (if any).
3. Make a complaint by reporting the situation to your immediate supervisor, the Vice President of the Division or the Human Resources Vice President at the Corporate office at (905) 333-1515, extension 418.

An investigation will be conducted. Both the complainant and the alleged offender will be interviewed as soon as possible. Witnesses identified by the parties involved and other individuals who may have knowledge of the complaint will be interviewed as well. All information will be documented. The name of the complainant or the circumstances surrounding the complaint will not be disclosed except when disclosure is necessary for the purposes of investigating the complaint or taking appropriate disciplinary action.

One, or both of the complainant and alleged offender may be placed on paid leave during the investigation if that is deemed to be appropriate in the circumstances.

If the charges are substantiated, appropriate disciplinary action, ranging from reprimand to termination of employment, will be taken.

If the charges are found to be wholly without merit, individuals involved in the investigation will be advised that the complaint was unfounded. If there are no further incidences for a period of two years, all documents will be pulled from the respective files and destroyed.

If the charges are found to be frivolous, or made in bad faith, the complainant will be subject to appropriate disciplinary action, ranging from reprimand to termination of employment.

Nothing in this policy precludes an individual's right to file a complaint with the Human Rights Commission should the employee feel the situation warrants such action.

### **Compliance, Monitoring & Reporting**

The Board of Directors of *Dover Industries Limited* is responsible to ensure that relevant personnel are aware of and understand the contents of this Code of Ethics.

Management and the Board of Directors will monitor compliance.

The Board will not be critical of management for any loss of business resulting from adherence to this Code of Ethics. Nor will any employee suffer as a result of reporting any violations of this Code.

**Administration**

Any questions with respect to the intent or meaning of these policy statements should be addressed to:

Your Divisional Vice President

Or:

Vice President, Human Resources  
Dover Head Office  
4350 Harvester Road  
Burlington, Ontario L7L 5S4  
Tel: (905) 333-1515, extension 418  
Fax: (905) 333-1584