

## **ENGHOUSE SYSTEMS LIMITED**

### **ANTI-CORRUPTION COMPLIANCE POLICY**

#### **Purpose**

The board of directors (the "Board") of Enghouse Systems Limited (the "Company") and its management are committed to conducting operations in compliance with applicable laws and high ethical standards and this commitment is embodied in the Company's Code of Business Conduct and Ethics Policy (the "Code"). The purpose of this Anti-Corruption Compliance Policy (this "Policy") is to reiterate the Company's commitment to full compliance with anti-corruption laws, including Canada's Corruption of Foreign Public Officials Act (the "CFPOA"), the U.S. Foreign Corrupt Practices Act (the "FCPA") and any applicable anti-corruption laws in other jurisdictions in which it conducts business (collectively, the "Anti-corruption Laws").

Compliance with Anti-corruption Laws is particularly important since the Company and its subsidiaries conduct part of their businesses in emerging markets in which;

- (i) government officials are frequently engaged in commercial and financial activities for their own accounts,
- (ii) corruption and related problems are common, and
- (iii) legal standards and enforcement policies are developing, but are often unclear and inconsistently applied.

In such circumstances, special vigilance is important to ensure compliance with anti-corruption and related legislation. It is crucial that competitive pressures in such an environment do not undermine our commitment to ethical conduct and compliance with law.

#### **Application**

This Policy has been adopted by the Board and applies to all directors, officers and employees of the Company and of each subsidiary, partnership, venture or other business association that is effectively controlled by the Company directly or indirectly (collectively referred to as "Personnel"). In addition, all third party intermediaries, agents, representatives, service providers, suppliers, contractors, partners, joint ventures or other entities acting on behalf of the Company or its subsidiaries are expected to comply with this Policy (collectively referred to as "Representatives"). Because of the extra-territorial reach of Anti-corruption Laws and in keeping with adhering with the Company's uniform approach to ethical behavior, this Policy is intended to apply to Personnel and Representatives anywhere in the world that the Company does business. This Policy supplements and is to be read in conjunction with the Code.

#### **Policy Statement**

**Anti-Bribery:** Personnel and Representatives are prohibited from corruptly (as defined below) offering, promising, authorizing or paying anything of value to any government official, any political party or official thereof, or any candidate for foreign political office, in order to influence such person for the purpose of obtaining or retaining business or securing some other improper advantage.

**Accounting; Books and Records:** The Company is required to maintain a system of internal accounting controls and make and keep books and records which, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets. False, misleading or incomplete entries in such records or in other documents are prohibited. No undisclosed or unrecorded fund or account may be established for any purpose.

A system of accounting controls shall be maintained that provides reasonable assurances that;

- (i) transactions are executed in accordance with management authorization;

(ii) transactions are recorded so as to permit preparation of accurate financial statements and to maintain accountability for assets;

(iii) access to assets is permitted only in accordance with management authorization; and

(iv) appropriate auditing functions are conducted.

### **Definitions**

Government Official is an officer or employee of a government (or any department, agency or instrumentality thereof), or a "public international organization" or any person acting in an official capacity for or on behalf of any such government (or department, agency or instrumentality thereof) or public international organization. Public international organizations include such organizations as the International Monetary Fund and the European Bank for Reconstruction and Development. Note that government officials also include employees of government owned or controlled commercial entities. In some cases, payments to an associate or family member of a government official may also be considered a bribe, so these type of relationships should be scrutinized. It is important that all Personnel and Representatives be able to identify who is a government official. Some examples of government officials that Personnel and Representatives may encounter in the course of Company business include:

Government ministers and their staff

Ambassadors

Military and police personnel

All employees of government-owned or controlled corporations, universities or other organizations

Members of legislative bodies and judges

Provincial governors and regional or municipal officials

Officials of government departments and agencies, including customs, immigration, environment, mines and energy

Private persons acting in an official capacity

Corruptly means that the offer, promise, authorization or payment must be intended to induce the recipient to misuse his or her official position in order to wrongfully direct business to the payor, or to obtain preferential treatment or otherwise secure an improper advantage. The word "corruptly" connotes an evil motive or intent to wrongfully influence the recipient.

Knowledge under the Anti-corruption Laws is broader than "actual" knowledge. In order to violate Anti-corruption Laws, an individual must "know" that the corrupt payment is being offered. Knowledge exists when a person is aware that a "result is substantially certain to occur" or a person has a "firm belief that such circumstance exists". Conscious disregard, deliberate ignorance and willful blindness will not avoid liability. This same standard of knowledge is also used for money laundering violations. Note that the books and record provisions of some Anti-corruption Laws contain no knowledge requirement. Thus, even unintentional, immaterial misstatements can create liability.

### **Additional Guidance**

### Transactions Involving Government Officials

Payments, including reasonable expenses, hospitalities and gifts, to government officials may be made only in compliance with this policy and any procedures implemented pursuant to this policy. Any such payments must have a clear business purpose which is directly related to the Company's commercial objectives and can only be made if permissible under local law. Such payments must be accurately recorded immediately in the Company's records and are subject to regular review by the Company.

Retaining a government official, or a former government official, (as an agent, lobbyist, consultant, etc.) may be permissible but must be handled with caution. Such relationships must be structured so that they meet the requirements of the Anti-corruption Laws. No such relationship may be negotiated without the prior approval of the Vice President & General Counsel of the Company.

Similar caution must be exercised where a potential or current member of Personnel or a Representative is affiliated with an organization which could be deemed to be a government instrumentality, has a familial relationship with a government official or was previously engaged in government service. If you face any of these circumstances, you should consult the General Counsel.

### Transactions with Intermediaries and Partners

Payments to Representatives or intermediaries where such Representatives or intermediaries subsequently make an illegal payment violate this Policy. In order to minimize this risk, the Company requires that due diligence be conducted on the Representatives and intermediaries with whom the Company intends to do business when any "red flags" or other suspicious circumstances are believed to exist.

A due diligence review should be performed prior to the third party performing any work on behalf of the Company. Due diligence should include a review of reputation, expertise, experience and past performance of potential Representatives or intermediaries; their connection, if any, to government officials; the reasonableness of the proposed payment arrangements under the circumstances; and the business purpose for entering into the transaction. It is Company policy that all arrangements for the retention of the Representatives and intermediaries be made by written contract, the form of which must be approved in advance by the General Counsel in accordance with the Company policy.

The Anti-corruption Laws may apply if an entity in which a governmental body exercises control or maintains any ownership interest (i.e., if such entity is a government instrumentality under the Anti-corruption Laws) is a joint venture partner of the Company or if a government official has an equity interest in, or serves as a director or officer of, the joint venture partner or the joint venture itself. Special care must be taken in such situations to ensure that no funds of the Company are paid, loaned, given, or otherwise transferred, directly or indirectly, to any government official, or to any entity in which such person is known to have a material interest, except with the prior written approval of the General Counsel, with guidance from Company counsel. This would include the payment of directors' fees and any similar form of compensation. If you have any doubts as to whether an entity is a government instrumentality, you should consult with the General Counsel.

### Charitable Contributions and Support for Social Projects

Monetary and other contributions to charities, social projects and funds, including schools, educational funds and infrastructure projects, should be handled with caution because they can be conduits for corrupt payments. In order to minimize this risk, the Company should endeavor to establish impact benefit or participation agreements or social development frameworks and other transparent instruments that require appropriate due diligence be conducted into such charities and projects. Any such agreements require prior approval of the General Counsel, to ensure compliance with this policy. Disbursement of any funding for the implementation of these approved agreements should be coordinated with the respective Project Manager.

## Political Contributions

As a general rule, the Company does not contribute corporate funds to political parties, party officials, candidates or organizations engaged in politics.

## **General Requirements**

### Zero Tolerance and Penalties

Compliance with this Policy is mandatory. Failure by Personnel to comply with this Policy will be grounds for disciplinary action up to and including immediate termination of employment and possible legal prosecution. In addition, the Company will terminate contracts with Representatives who are unwilling or unable to represent the Company in a manner consistent with this Policy. Failure to comply with this Policy can result in criminal penalties, including large fines, the loss of significant contracts and being barred from dealing with certain governments and other parties. Personnel and Representatives will indemnify and hold harmless the Company from any claims resulting from their breach of this Policy. Furthermore, the Company will not defend or indemnify or hold harmless Personnel or Representatives that contravene this Policy from any claim resulting from their contravention.

### Reporting

Company Personnel and Representatives are required to report violations of this Policy and applicable Anti-corruption Laws by Company Personnel and Representatives. Violations are to be reported to a supervisor or the Chairman of the Audit Committee and the General Counsel through the Whistleblower Policy. The Company will not permit retaliation of any kind against any Personnel or Representatives who reports misconduct in good faith.

### Accounting

The Company must make and keep books, records and accounts that accurately and fairly reflect its transactions, procurement of assets and services, and dispositions of its assets in sufficient detail to facilitate a full understanding and audit trail. No false or misleading entries should be made in the books and records for any reason. All contracts and other documents must accurately describe the transactions to which they relate. No payment on behalf of the Company should be approved without adequate supporting documentation or made with the intention that all or any part of the payment is to be used for any purpose other than that described in the documents supporting the payment.

### Communication and Certification

All individuals, including officers of the Company, Personnel and Representatives and any other manager or employee designated by the Company, will be provided with a copy of this Policy and must acknowledge reviewing and understanding the Policy. Further, the Company will maintain a list of all Personnel and Representatives involved in conducting or supervising business operations who may have contact with governmental officials in the course of their duties.

### Administration

The General Counsel is responsible for administering and interpreting this Policy under the oversight of the Audit Committee and the Board. The General Counsel will give directions and maintain procedures to implement this Policy as necessary and make reports regarding this Policy to the Board through the Audit Committee. Any approval required under this Policy may be obtained from the General Counsel. Questions about this Policy should be directed to the General Counsel or the Chair of the Audit Committee.

