

## **CODE OF BUSINESS CONDUCT**

### **SUMMARY OF THE CODE**

When acting on behalf of Dorel Industries Inc., including its subsidiaries and affiliated companies, (the “Company”), you are expected to:

1. Report any violation of this Code.
2. Comply with all laws, rules and regulations applicable to the Company.
3. Not use for your own financial gain, or disclose for the use of others, information obtained as a result of your role in the Company that has not been disclosed to the public.
4. Help ensure that the Company provides accurate and fair public disclosure.
5. Ensure that the books and records of the Company are complete and accurate and report any accounting and/or auditing concerns.
6. Protect the Company’s confidential information and intellectual property rights and respect the same rights of others.
7. Avoid all situations in which your personal interests conflict or might conflict with the interests of the Company.
8. Never offer or accept expensive gifts or other benefits that might influence or be perceived as influencing a business or regulatory decision.
9. Protect the Company’s assets and use them properly and with care for the benefit of the Company and not for personal use.
10. Provide an environment that promotes the health and safety of all employees and is free of discrimination and harassment.
11. Deal fairly with Company stakeholders and others.
12. Read and follow the policies and procedures set out in the Company Trade Controls and Anti-Bribery Policy.

### **COMPLIANCE WITH THE CODE**

Company directors, officers and employees are expected to comply with the Company’s Code of Business Conduct (the “Code”) and actively support its values and principles.

The rules of conduct in this Code are not exhaustive; they complete the policies, procedures and other rules of the Company concerning appropriate behavior as well as applicable law.

Anyone who fails to comply with the Code, or who withholds information during the course of an investigation regarding a possible violation of it is subject to prompt disciplinary action up to and including dismissal. If any breach of the Code violates the law, civil or criminal, legal proceedings may also result. Depending upon the nature of the non-compliance, the Company may have the legal obligation to report the non-compliance to the appropriate authorities. In addition, conduct by a director or executive officer which constitutes a material departure from the Code could constitute a material change triggering an obligation for the Company to immediately file a press release and a material change report on the System for Electronic Document Analysis and Retrieval (“SEDAR”).

Consultants are equally expected to adhere to this Code in all their dealings with or on behalf of the Company. You must ensure that consultants are aware of the contents of the Code, either by providing them with a copy or by referring them to the Company website ([www.dorel.com](http://www.dorel.com)). Any consultant who fails to comply with the Code may see their contract terminated or not renewed.



## **WAIVER OF THE CODE OF BUSINESS CONDUCT**

Any waivers of the Code for directors and executive officers may be made only by the board of directors of the Company and will be publicly disclosed in accordance with applicable law or stock exchange regulations.

## **COMPLIANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS**

The Company operates on a global basis and is therefore subject to national and local laws, rules and regulations that vary from one jurisdiction to another. You must comply with the laws, rules and regulations, including Company policies and procedures, wherever business is done, both in letter and in spirit.

## **SECURITIES LAW AND INSIDER TRADING**

You must refrain from transactions in or related to Company securities, products or raw materials while in possession of undisclosed “material information” or, in the province of Quebec, Canada “privileged information”, about the Company and refrain from passing such information on to others, which includes family and friends.

“Material information” means any information relating to the business and affairs of the Company that results in or would reasonably be expected to result in a significant change in the market price or the value of the Company’s securities, or would reasonably be expected to have an influence on a reasonable investor’s decisions or a reasonable investor could consider important in making an investment decision with respect to the Company’s securities.

Material information includes both “material changes” and “material facts”. Material information can be positive or negative and can relate to virtually any aspect of the Company’s business or to any type of security, debt or equity. The concept of a “material change” is described in the Company’s Disclosure Policy.

Examples of material changes include (but are not limited to) facts concerning: a significant acquisition, disposition or merger, a new issue of securities or significant change in the Company’s capital structure, a significant change in financing arrangements, a significant change in expected earnings in the near future (such as in the next fiscal quarter), significant operational events or incidents, changes in ownership that may affect control of the Company, significant changes in the management or the composition of the board of directors of the Company, changes in the nature the Company’s business and major litigation developments.

“Privileged information” is defined as any information that has not been disclosed to the public and that could affect the decision of a reasonable investor. Please refer to the Company’s Insider Trading and Blackout Periods Policy for further details about the trading prohibition imposed on insiders, as applicable, to you.

## **SHAREHOLDER, MEDIA AND COMMUNITY RELATIONS**

The Company values good relations with our shareholders. It always attempts to respond to their inquiries and requests as quickly as possible. Requests from investors or shareholders for information concerning the Company and its business should be forwarded to the Executive Vice-President, Chief Financial Officer and Secretary of the Company as stated in the Company’s Disclosure Policy.

Communications with external audiences, i.e., with the news media and investors, is about communicating in an equitable, credible and timely manner. The Company's credibility is key to building the value of its name and enhancing shareholder value.

Media interaction is the responsibility of authorized Company spokespersons, who ensure the timely and informed communication of relevant information. All such spokespersons, who deal with the media, must demonstrate high standards of integrity and transparency, while refraining from unauthorized disclosure of proprietary or non-public information.

You should make these spokespersons know about any relevant issue of local or national interest that relate to the Company's business of which they may not be aware.

The Company is committed to demonstrating that good corporate citizenship is compatible with achieving superior returns for its shareholders.

## **BOOKS AND RECORDS**

All financial transactions are to be accurately recorded in the books of account in a timely manner and accounting procedures are to be supported by the associated internal controls. They must be promptly disclosed in accordance with any applicable laws or regulations and conform accordingly.

All Company books and records must be available for internal and external audit.

In relation to the Company's books of account and Company records, you must:

1. not intentionally cause Company documents to be incorrect in any way, including travel expense claims;
2. not create or participate in the creation of any records that are intended to conceal anything that is improper;
3. properly and promptly record all disbursements of funds;
4. co-operate with internal and external auditors. Any direct or indirect action to coerce, manipulate, mislead or fraudulently influence an auditor is prohibited;
5. not make unusual financial arrangements with a customer or a supplier (such as over-invoicing or under-invoicing) for payments on their behalf to a party not related to the transaction; and
6. comply with the Policy on Financial Reporting. Suspected breaches of any financial policy, which directly or indirectly affect the Company's business, must be reported and investigated.

Business records and communications often become public, and you should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that may be misunderstood. This applies equally to email, social media of any kind, internal memos, and formal reports. Records should always be retained or destroyed in accordance with record retention policies, as applicable.

As far as practicable, agreements to which the Company is a party should be in writing, leaving little uncertainty as possible.

## **CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY**

“Confidential information” means information concerning the Company, which is not known to the public, and includes technical information about products or processes; vendor lists or purchase prices; cost, pricing, marketing or service strategies; financial information; all databases and records; and information related to divestitures, mergers and acquisitions. It includes whatever form including oral, written, machine readable or otherwise.

Intellectual Property (“IP”) includes: patents, copyrights, trademarks and trade secrets. IP owners have rights granted to them under the law.

Confidential information, including that which relates to IP, is a valuable asset that could benefit a competitor if known to it or otherwise harm the Company if made public. You must be careful not to disclose such information to unauthorized persons, either within or outside the Company, and must exercise care to protect the confidentiality of such information received from another party. Confidential information can be protected under the law as a trade secret if it has value to others and the owner takes the necessary steps to protect it.

You must always protect the Company’s confidential information and IP rights and you must also respect the same rights of others. Report any unauthorized use of the Company’s IP to your supervisor. The obligation to preserve proprietary information continues even after employment ends.

The Company must maintain a complete and up to date ledger of all IP. This listing is to be forwarded to and maintained by the Company Vice-President, Finance and Assistant Secretary of the Company at the end of each financial year end.

The Company’s policy is to licence one software package per user, except when the licence provides otherwise or permits a network version of the software to be used. You must not copy software, protected by copyright law and/or license agreements, unless the owner of the copyright or license holder specifically grants, directly or indirectly, permission to do so.

## **CONFLICTS OF INTEREST**

It is essential to remain free of, or disclose, commitments and relationships that involve, or could involve actual, perceived or eventual conflicts of interest with the Company.

A conflict of interest can exist when one has a direct or indirect personal interest in a decision being made where that decision should be made objectively, free from bias and in the best interests of the Company. It is important that even the appearance of a conflict of interest be avoided.

Loans to you or guarantees of your obligations and your family members by the Company may create conflicts of interest and in certain instances are prohibited by law.

It is a conflict of interest for you to work for a competitor, customer or supplier. You should avoid any direct or indirect interest with the Company’s customers, suppliers, contractors or competitors except as required on the Company’s behalf.

Anything that could present a conflict of interest could also present a conflict of interest if it is passed on to a family member or a third party who is receiving benefits for you. Common sense and good judgment must be exercised to avoid any perception of impropriety or conflict of interest.

If you believe that you may be affected by a conflict of interest, you must immediately disclose all relevant details to your supervisor who will then notify the Company Vice-President – Audit & Compliance for consideration in relation to this Policy.

## **GIFTS AND BENEFITS**

You should never accept or provide inappropriate gifts or benefits to or from anyone, including a current or prospective supplier, vendor, distributor or competitor of the Company, when doing so might compromise, or appear to compromise, the objectivity of your or their business decisions.

## **ANTI-BRIBERY AND ANTI-CORRUPTION**

Corruption is the misuse of public power for private profit, or the misuse of entrusted power for private gain. Bribery is the offer, promise, or payment of cash, gifts, or even excessive entertainment, or an inducement of any kind, offered or given to a person in a position of trust to influence that person's views or conduct or to obtain an improper advantage.

Bribery and corruption can take many forms, including the provision or acceptance of:

1. Cash payments;
2. Phony jobs or “consulting” relationships;
3. Kickbacks;
4. Political contributions;
5. Charitable contributions;
6. Social benefits; or
7. Gifts, travel, hospitality, and reimbursement of expenses.

You are strictly prohibited from offering, paying, promising, or authorizing any payment or other thing of value if it could involve bribery or corruption.

In addition, you must read and follow the more detailed policies and procedures set out in the Company's Trade Controls and Anti-Bribery Policy.

## **USE OF COMPANY PROPERTY, INFORMATION AND POSITION**

Company property, information and position are for Company use.

You must not:

1. obtain, use or divert Company property, information and position for personal use or benefit;
2. materially alter or destroy Company property without proper authorization;
3. remove Company property or use Company services without prior management approval; and
4. abuse your use of the Internet, intranet or the use of e-mail.

Expenses incurred in the name of the Company must be justifiable and reasonable. These expenses can only be incurred in the context of business activities.

## **HUMAN RIGHTS AND THE WORKPLACE**

The Company is guided by principles of non-discrimination, respect for human rights and individual freedoms and conducts its global business in an appropriate manner.

The Company will not tolerate illegal discrimination or harassment on the basis of age, race, sex, ancestry, religious belief or on the basis of any personal characteristic protected by law.

In addition, the Company does not permit coercion or intimidation in the workplace and is unequivocally opposed to forced or child labour.

The Company strives to provide a safe and healthy work environment. You have a responsibility for maintaining a safe and healthy workplace for all personnel by following environmental, safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Violence and threatening behavior are not permitted.

You are expected to perform your Company related work in a safe manner, free from the influences of alcohol, legal and illegal drugs or controlled substances. You must be able, at all times, to perform your duties when you report for work and remain fit throughout your working day. You must not work, or even be at work, while impaired by legal or illegal substances. It is further prohibited to consume or trade in legal and illegal drugs on Company property.

The Company respects employees' rights in relation to employment matters. While the Company will promote its position in a fair and legal manner; it recognizes the right of employees to organize legally and bargain collectively.

## **ANTITRUST AND COMPETITION LAWS**

You must avoid all actions, such as price fixing, bid rigging, allocation of markets or customers that reasonably could be construed as being anti-competitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace. Canada, the U.S., the European Union and many other countries have enacted "antitrust" or "competition" laws. Their purpose is to ensure that markets for goods and services operate competitively and efficiently, so that customers enjoy the benefit of open competition among their suppliers and sellers similarly benefit from competition among their purchasers. Violations of these laws can lead to substantial civil and criminal liability.

If you have questions concerning a specific situation that involves antitrust or competition issues, you should contact your supervisor.

## **TRADE CONTROLS**

All Company employees, officers and directors must comply with all applicable trade controls, meaning:

1. Economic and trade sanctions, which restrict certain cross-border transactions with specified countries, companies, individuals or other restricted parties;
2. Export control, which restrict the export or transfer of products to certain restricted parties or destinations; and
3. Anti-money laundering laws, which relate to the proceeds of illegal activities, the funding or financing of terrorism, and the evasion of legitimate tax obligations.

The Company will not engage in transactions involving **Iran, North Korea, Sudan, Syria, Venezuela, Crimea, the so-called Donetsk People's Republic and the so-called Luhansk People's Republic**, or involving a party included in certain lists of restricted parties issued by the US, Canada, United Kingdom or European Union. The Company does not currently have any business relating to **Cuba** and for commercial reasons the Company does not presently

intend to. The Company has chosen to embargo transactions involving **Russia** due to the Russian occupation of certain regions of Ukraine. The Company reserves the right to lift this embargo at any time, at the discretion of the Board of Directors.

The Company periodically checks for restricted parties, and carries out beneficial ownership verification, in relation to international distributors and certain other parties with which the Company does business.

The Dorel Trade Controls and Anti-Bribery Policy sets out more detailed policies and procedures in these areas. You must read and follow that Policy.

## **PRIVACY**

The Company is committed to respecting the privacy rights of individuals and to complying with all applicable privacy and data protection laws. All staff and suppliers must respect the privacy, security and confidentiality of any personal information that they handle in the course of their duties. This includes personal information relating to our customers (including the end consumer), our staff (and their dependents), our suppliers, and any other individuals. We must use any personal information we receive only in accordance with individuals' reasonable privacy expectations and applicable data protection laws. Where we are using personal information to provide services to another group entity, we must use that personal information only in accordance with the other group entity's instructions.

Staff and suppliers who do not protect the privacy, security and confidentiality of the personal information they handle may cause harm or distress to affected individuals, put the Company in breach of its responsibilities under applicable data protection laws, and expose the Company to legal or regulatory enforcement measures. The Company will take disciplinary and/or contractual measures against staff or suppliers who do not protect personal information in accordance with the Company's data protection and information security policies.

"Personal information" means any information relating to an identified or identifiable natural person; an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

## **ANNUAL ACKNOWLEDGEMENT**

To assist in ensuring compliance with this Code, the Company requires that you review the Code of Business Conduct and acknowledge your understanding and adherence in writing on an annual basis.



# **DISCLOSURE POLICY**

## **1. OBJECTIVE AND SCOPE**

The objective of this Disclosure Policy (“the Policy”) is to ensure that communications with the investing public about Dorel Industries Inc. (“the Company”) are:

- \* timely, factual, accurate, consistent and balanced; and
- \* broadly and appropriately disseminated in accordance with all applicable securities legislation requirements.

This Policy confirms in writing the Company’s existing disclosure policies and practices. Its goal is to raise awareness of the Company’s approach to disclosure among the board of directors, employees, and those authorized to speak on the Company’s behalf. A significant benefit is to raise awareness of the risk of selective disclosures. Among other things, this better awareness can reduce the likelihood of inadvertent insider trading.

The Disclosure Committee (“the Committee”) is responsible for implementing this Policy. In doing so, the Committee plays a key role in assisting the President and Chief Executive Officer and Executive Vice-President, Chief Financial Officer and Secretary of the Company in making annual and quarterly certifications. A properly documented process will also give the Company, its officers, directors and spokespersons with the ability to present an effective defense in the event that they are named in legal action relating to the Company’s disclosures.

This Policy extends to all employees of the Company, the board of directors, those authorized to speak on its behalf and all other insiders. It covers disclosure in documents filed with the securities regulator, financial and non-financial disclosure, including management’s discussion and analysis (“MD&A”) and written statements made in the Company’s annual and quarterly reports, news releases, letters to shareholders, presentations by senior management, and information contained on the Company’s website and in other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as speeches, press conferences and conference calls.

## **2. DISCLOSURE COMMITTEE**

The board of directors has established the Disclosure Committee and has given it the responsibilities for ensuring that all securities regulatory disclosure requirements are met and for overseeing the Company’s disclosure practices. These responsibilities include the design, implementation and regular evaluation of the Company’s disclosure controls and procedures to ensure that information required to be disclosed in Company filings is made known to the Committee and recorded, processed, summarized and reported within the required time periods.

The Committee consists of the Company’s:

- President and Chief Executive Officer (ex-officio);
- Executive Vice-President, Chief Financial Officer and Secretary;
- Senior Vice-President, Finance and Assistant Secretary;

- Vice-President, Controller (designate Chairperson of the Committee); and
- Director of Finance.

In their absence, any of the above-mentioned members can designate a substitute representative. The Committee will invite other officers, directors and employees of the Company, when deemed advisable, to assist in the discussion and consideration of its duties.

It is essential that the Committee be kept fully apprised of all pending material Company developments or information in order to evaluate and discuss those material developments to determine the appropriateness and timing for public release of information. The Committee has identified appropriate industry and Company disclosure benchmarks, for an assessment of materiality and timely disclosure. Guided by these benchmarks the Committee uses experience and judgment to determine the timing of public release of material information. If, as sometimes happens, it is deemed that material information should remain confidential, the Committee will determine how that material information will be controlled including contacting the Market Surveillance section of the Investment Industry Regulatory Organization of Canada (“IIROC”) to ask that trading on the securities of the Company be closely monitored, notifying the Co-Chairpersons of the Board of Directors or other appropriate members of the Board of Directors of that decision, and ensuring that the appropriate regulatory filings are made and updated as required.

The Committee will review all news releases and core disclosure documents prior to their public release or filing.

The Committee is responsible for ensuring that the stock exchange on which the Company is listed has comprehensive contact information for the Company spokespersons and that the Company employees are aware of their responsibilities if a representative of the stock exchange calls the Company.

The Committee will meet at least quarterly and will keep records of all Committee meetings.

Annually, the Committee will review this Policy and if necessary, update it as needed to ensure compliance with changing regulatory requirements. The Committee will also make recommendations to the Board of Directors via its Audit Committee for any appropriate changes to the Policy. The Chairperson of the Committee, or his/her designate, will report to the Audit Committee quarterly on specific disclosure issues, the process followed, the assessment of the disclosure and other relevant disclosure matters.

The Committee is responsible for all other duties as defined in its Charter.

### **3. PRINCIPLES OF DISCLOSURE OF MATERIAL INFORMATION**

“Material information” means any information relating to the business and affairs of the Company that results in or would reasonably be expected to result in a significant change in the market price or the value of the Company’s securities or would reasonably be expected to have an influence on a reasonable investor’s decisions or a reasonable investor could consider important in making an investment decision with respect to the Company’s securities.

Material information includes both “material changes” and “material facts”. Material information can be positive or negative and can relate to virtually any aspect of the Company’s business or to any type of security, debt or equity. The concept of a “material change” is outlined below.

A material change is a change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of any securities of the Company or that would reasonably be expected to have a significant influence on a reasonable investor’s decisions and includes a decision to implement such a change made by the board of directors or by senior management who believe that confirmation of the decision by the board of directors is probable. In complying with the requirement to immediately, or as soon as practicable, disclose all material information under applicable securities legislation, the Company will adhere to the following basic disclosure principles:

\* Material changes and, to the extent required, other material information will be publicly disclosed immediately, or as soon as practicable, via news release;

\* Disclosure must include any information the omission of which would make the rest of the disclosure misleading;

\* There must not be any selective disclosure. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an investor meeting or during a telephone conversation with an analyst). If previously undisclosed material information is inadvertently disclosed, this information must be broadly disclosed immediately via news release. If the information is inadvertently disclosed during trading hours, the Company must call IIROC – Market Surveillance to discuss and/or request a halt in trading until public disclosure of a news release describing the material information is made;

\* In some circumstances involving a material change, the Committee may determine that disclosure would be unduly detrimental to the Company (for example, if release of information would prejudice negotiations in a corporate transaction), in which case the information will be kept confidential until the Committee determines that it is appropriate to publicly disclose. In these circumstances, the Committee will cause a confidential material change report to be filed with the securities regulator, and will periodically (at least every ten days) review its decision to keep the information confidential (see **Rumours**);

\* Disclosure should be consistent among all audiences, including the investment community, the media, customers and employees. Derivative information (information extracted from a document filed on behalf of another person or company), which is included in a document or oral statement, should include a reference identifying the document that was the source of the information;

\* Disclosure on the Company’s website alone does not constitute adequate disclosure of material information; and

\* Disclosure must be corrected immediately if the Company subsequently learns that earlier disclosure contained a material error or omission at the time it was publicly disclosed.

#### **4. INSIDER TRADING AND BLACKOUT PERIODS**

Reference is made to the Insider Trading and Blackout Periods Policy of the Company with respect to:

- (i) restrictions on trading in the securities of the Company during certain periods; and
- (ii) prohibitions against trading with the knowledge of “material information” or in the province of Quebec, Canada, “privileged information” with respect to the Company.

#### **5. MAINTAINING CONFIDENTIALITY**

Any person privy to confidential information will be so advised and is prohibited from communicating such information to anyone else unless it is necessary to do so in the course of business. Efforts will be made to limit access to confidential material information to only those who need to know the information and those persons will be advised that the information is to be kept confidential.

The use and disclosure of confidential information may be subject to other laws and Company policies. This includes, but is not limited to, privacy legislation and Company security policies.

Outside parties privy to undisclosed material information or privileged information concerning the Company will be told that they must not disclose this information to anyone else, other than in the necessary course of business and that they may not trade in the Company’s securities until the information is publicly disclosed. Such outside parties may be required to confirm their commitment to non-disclosure in the form of a written confidentiality agreement.

To prevent the misuse or inadvertent disclosure of material information or privileged information, the following procedures should be observed at all times:

- \* Documents and files containing confidential information should be identified as such, kept in a safe place, with access restricted to individuals who “need to know” that information in the necessary course of business. Code names should be used if necessary;
- \* Confidential matters should not be discussed in places where the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis;
- \* Confidential matters should not be discussed on cellular phones or other wireless devices;
- \* Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them;
- \* Employees must ensure that they maintain the confidentiality of information in their possession outside of the office as well as inside the office;

\* Transmission of documents by electronic means, such as by fax, e-mail or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secured conditions;

\* Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed; and

\* Access to confidential electronic data should be restricted through the use of passwords.

Where disclosure of a material change is delayed pursuant to securities legislation, the Company is under a duty to take precautions to keep the material change confidential. During the period before material information is generally disclosed, the Executive Vice-President, Chief Financial Officer and Secretary of the Company should closely monitor market activity in the Company's securities.

## **6. QUIET PERIODS**

To avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Company will observe quiet periods prior to quarterly earnings announcements or when material changes are pending. Regular quiet periods will commence on the first (1st) day of the month following the end of a quarter and terminate at the end of the next business day following the date of the issuance of a news release disclosing the financial results. If and when particular issues are put in the market place by means of a press release, the quiet period ends after the end of the next business day following the date of the issuance of the press release.

During a quiet period, the Company will not initiate any meetings or telephone contacts with analysts and investors but will respond to unsolicited inquiries concerning factual matters. A quiet period will not prevent the Company from pursuing business opportunities or entering into a transaction. If the Company is invited to participate, during a quiet period, in investment meetings or conferences organized by others, the Company will determine, on a case-by-case basis, if it is advisable to accept these invitations. If accepted, caution will be exercised to avoid selective disclosure of any material, non-public information.

## **7. DESIGNATED SPOKESPERSONS**

The Company designates a limited number of spokespersons with authority for communication with the investment community, regulators and the media. The President and Chief Executive Officer and the Executive Vice-President, Chief Financial Officer and Secretary shall be the official spokespersons for the Company. Investor relations firm representatives shall also speak on behalf of the Company, in accordance with instructions from, and arrangements with, the Company. The President and Chief Executive Officer and the Executive Vice-President, Chief Financial Officer and Secretary of the Company may, from time to time, designate others within the Company with authority to speak on behalf of the Company as back-ups or to respond to specific inquiries.

Directors and employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to do so by an authorized spokesperson. All such inquiries are to be referred to the President and Chief Executive Officer and the Executive Vice-President, Chief Financial Officer and Secretary of the Company or investor relations firm representatives.

## **8. NEWS RELEASES**

Once the Committee determines that a matter is material and requires disclosure, it will authorize the issuance of a news release unless it is determined that such developments must remain confidential for the time being. If developments are to remain confidential, appropriate confidential filings must be made and control of the undisclosed material information must be instituted. Should a public statement about the material information inadvertently be made in a selective forum, the Company will immediately issue a news release to fully disclose the material information. If the inadvertent disclosure occurs during trading hours, the Company must call IIROC – Market Surveillance to discuss and/or request a halt in trading until public disclosure of a news release describing the material information is made.

The Audit Committee and board of directors will review and approve news releases containing earnings guidance and financial results prior to issuance. Financial results will be publicly released immediately following Audit Committee and board of director's approval of the MD&A, financial statements and notes.

If the stock exchange upon which securities of the Company are listed is open for trading at the time of a proposed announcement, prior notice of a news release announcing material information must be provided to IIROC – Market Surveillance to enable a trading halt, if deemed necessary by IIROC – Market Surveillance. If a news release announcing material information is issued outside of trading hours, IIROC – Market Surveillance must be notified promptly and in any event before the market reopens and provided with a copy of the news release.

News releases will be disseminated through an approved news wire service that provides simultaneous national distribution. Full-text news releases will be transmitted to all stock exchange members, relevant regulatory bodies, major business wires, national financial media, and the local media in areas where the Company has its headquarters and operations.

News releases will be posted on the Company's website immediately after confirmation of dissemination over the news wire. The website will include a notice that advises the reader that the information posted was accurate at the time of posting but may be superseded by subsequent disclosures.

If the subject of a press release is a material change for the Company, a material change report will also be filed with the securities regulator as soon as practicable, but in any event within 10 days of the issuance of the news release.

## **9. CONFERENCE CALLS**

Conference calls may be held for quarterly earnings and may be held for major corporate developments accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the Internet. At the beginning of the call, a Company spokesperson will provide appropriate cautionary language regarding any forward-looking information and direct participants to publicly available documents containing the assumptions, material factors and a full discussion of the risks and uncertainties applicable to the Company and the forward-looking information.

The Company will provide advance notice of the conference call and webcast by issuing a news release announcing the date, time and topic and providing information on how interested parties may access the call and webcast. These details will be provided on the Company's website. In addition, the Company may send invitations to analysts, institutional investors, the media and others. Any non-material supplemental information provided to participants will also be posted to the Company's website for others to view.

A tape replay of the conference call will be made available for a minimum of seven (7) days and an archived audio webcast and/or text transcript will be made available on the Company's website for a period of at least thirty (30) days.

The Committee will hold a debriefing meeting immediately after the conference call and if it determines that selective disclosure of previously undisclosed material information or misleading disclosure has occurred, the Company will immediately disclose or correct the information broadly via news release. If the inadvertent disclosure occurs during trading hours, the Company must call IIROC – Market Surveillance to discuss and/or request a halt in trading until public disclosure of a news release describing the material information is written.

## **10. RUMOURS**

The Company does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. The Company's spokespersons will respond consistently to any rumours, saying, "It is our policy not to comment on market rumours or speculation".

Should the stock exchange request that the Company make a definitive statement in response to a market rumour that is affecting trading activity in the Company's securities, the Committee will consider the matter and decide whether to make a policy exception. If the rumour is true in whole or in part, this may be evidence of a leak, and the Company will immediately issue a news release disclosing the relevant material information.

## **11. CONTACTS WITH ANALYSTS, INVESTORS AND THE MEDIA**

Disclosure in individual or group meetings does not constitute adequate public disclosure of information that is considered material non-public information. If the Company intends to discuss material information at an analyst or shareholder meeting or a press conference or a conference call, the discussion must be preceded by a news release of the material information.

The Company recognizes that meetings with analysts and significant investors are an important element of its investor relations program. The Company will meet with analysts and investors individually or in small groups as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this Policy. All analysts will receive fair treatment regardless of whether they are recommending buying or selling the Company's securities.

The Company will provide only non-material information through individual and group meetings, in addition to previously publicly disclosed material information, recognizing that an analyst or investor may construct this information into a mosaic that could result in the disclosure of material information. The Company cannot alter the materiality of information by breaking down the information into smaller, non-material components.

The Company will provide the same sort of detailed, non-material information to individual investors or reporters that it has provided to analysts and institutional investors and may post this information on its website.

Spokespersons will keep notes, as appropriate, of telephone conversations with analysts and investors and when practicable more than one representative of the Company should be present at all individual and group meetings. These notes will be available for review by the Committee to determine whether selective disclosure of previously undisclosed material information has occurred. If so, the Company will immediately disclose the material information broadly via news release.

Members of the media should not receive material information on an exclusive, embargoed or selective basis. They will receive material information at the same time as everyone else: when a full public announcement is made. Company spokespersons will keep notes, as appropriate, of telephone conversations with reporters and will follow up with reporters when there is an inaccuracy in an article, in order to set the record straight, and ensure that the same error does not occur again in future articles.

## **12. REVIEWING ANALYST REPORTS AND FINANCIAL MODELS**

Upon request, the Company may review analysts' draft research reports or financial models for factual accuracy based on publicly disclosed information. The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's financial model and earnings estimates.

To avoid appearing to endorse an analyst's report or model, the Company will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

## **13. LIMITS ON DISTRIBUTING ANALYST REPORTS**

Analyst reports are proprietary products of the analyst's firm. Distributing, referring to or providing links to analyst reports may be viewed as an endorsement by the Company of the reports. For these reasons, the Company will not provide analyst reports through any means to persons outside of the Company or generally to employees of the Company, including posting such reports on its website. Notwithstanding the foregoing, the Company may distribute analyst reports to its directors and employees in order to monitor



the communications of the Company and to assist them in understanding how the marketplace values the Company and how corporate developments affect the analysis.

Analyst reports may also be provided to the Company's financial and professional advisors in the necessary course of business. The Company may post on its website a complete listing, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Company. If provided, this list will not include links to the analysts' or any other party websites or publications.

#### **14. FORWARD-LOOKING INFORMATION**

A consistent approach to disclosure is important. Should the Company elect to disclose forward-looking information in continuous disclosure documents, speeches, conference calls, press releases, etc., the following guidelines must be observed and are necessary in order to qualify for safe harbour protection under amendments to Canadian securities laws which extended statutory civil liability to secondary market disclosures for any "reporting issuer" (which includes all TSX listed issuers):

- \* all material forward-looking information will be broadly disseminated via news release;

- \* the information will be published only if there is a reasonable basis for drawing the conclusions or making the forecast and projections set out in the forward-looking information;

- \* the document or public oral statement containing the forward-looking information must have, proximate to that information:

- (i) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and

- (ii) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information.

- \* additionally, the information may be accompanied by supplementary information such as a range of reasonably possible outcomes or a sensitivity analysis to indicate the extent to which different business conditions may affect the actual outcome. Public oral statements also require a cautionary statement that actual results could differ materially and a reference to material factors and assumptions that could cause actual results to differ materially and to one or more readily available documents that outline such factors or assumptions.

The information will be accompanied by a statement that the information is stated as of the current date, and is subject to change after that date, and the Company does not undertake to update any forward-looking information that is contained in that particular disclosure document or other communications unless required by law.

Once disclosed, the Company's practice for updating forward-looking information will be to regularly assess whether previous statements of forward-looking information should be replaced by new financial outlooks, and ensure that past disclosure of forward-looking information is accurately reflected in the current MD&A.

If the Company has issued a forecast or projection in connection with an offering document pursuant to securities legislation, the Company will update that forecast or projection periodically as required by securities legislation.

## **15. PROVIDING GUIDANCE**

Through regular public dissemination of quantitative and qualitative information, the Company will try to ensure that analysts' estimates are in line with the Company's expectations. The Company will not confirm, or attempt to influence an analyst's opinions or conclusions and will not express comfort with analysts' financial models or earnings estimates.

If the Company has determined that it will be reporting results materially below or above publicly held expectations, it may disclose this information in a news release to enable discussion without risk of selective disclosure and to protect against a civil lawsuit alleging misleading disclosure (see "Forward-Looking Information") or failure to provide timely disclosure.

## **16. DISCLOSURE RECORD**

The Executive Vice-President, Chief Financial Officer and Secretary of the Company, or his delegate, will maintain a seven-year record of all public information about the Company, including continuous disclosure documents, news releases, analysts' reports, transcripts or tape recordings of conference calls, debriefing notes, notes from meetings and telephone conversations with analysts and investors and newspaper articles, if any.

None of the above is intended to lessen the number of years documents must be kept by the Company pursuant to any applicable legal requirements.

## **17. RESPONSIBILITY FOR ELECTRONIC COMMUNICATIONS**

This Policy also applies to electronic communications. Accordingly, individuals responsible for written and oral public disclosures are also responsible for ensuring that postings on the Company's website are reviewed and approved and that such disclosure is accurate, complete, up-to-date and in compliance with relevant securities legislation.

Disclosure on the Company's website alone does not constitute adequate public dissemination of information that is considered material non-public information. Any disclosure of material information on the website will be preceded by the issuance of a news release.

All continuous disclosure documents will be provided in the Investor Relations and Media Centre sections of the Company's website. All information posted, including text and audiovisual material, will show the date the material was issued. Any material changes in information must be updated immediately and website readers must be advised that the information is accurate at the time of posting but may be superseded by subsequent disclosures.

The Executive Vice-President, Chief Financial Officer and Secretary of the Company will ensure that a log is maintained indicating the date that material information is posted

and/or removed from the Investor Relations and Media Centre sections of the website. Documents filed with the securities regulator will be posted on the Company's website for a minimum of two years.

The Executive Vice-President, Chief Financial Officer and Secretary of the Company will ensure that all links from the Company website to third party websites are approved. The website will include a notice that advises readers that they are leaving the Company's website and that the Company is not responsible for the contents of the other site.

The Executive Vice-President, Chief Financial Officer and Secretary of the Company will ensure that responses are provided to electronic inquiries. Only public information or information that can otherwise be disclosed in accordance with this Policy shall be used to respond to electronic inquiries. A file of these responses will be maintained by the Company for a period of two years.

Please refer to the Company's Social Media Policy for guidelines relating to online communication and social media tools.

## **18. COMMUNICATION, EDUCATION AND ENFORCEMENT**

This Policy extends to all employees of the Company, the board of directors and those authorized to speak of its behalf and all other insiders. All will be provided with a copy of this Policy and educated about its importance and will be required to sign an annual confirmation as to their commitment to abide by the Policy via the Company's Code of Conduct. This Policy will be posted on the Company's website and changes will be communicated to all.

Anyone who violates this Policy may face disciplinary action up to and including termination of employment with the Company without notice. The violation of this Policy may also violate certain securities legislation, which could expose the violator to personal liability. If it appears that someone may have violated such securities legislation, the Company may refer the matter to the appropriate regulatory authorities, which could lead to fines or other penalties.

## **POLICY ON WHISTLE-BLOWING**

### **SCOPE OF POLICY**

This Policy is designed to enable persons the ability to raise complaints and deal in an appropriate manner with any impropriety internally and at a high level.

By way of example, complaints which should be reported pursuant to this Policy include without limitation:

- (a) use of Company funds or property for any illegal, improper or unethical purpose;
- (b) tampering with or destroying any Company accounting or audit-related records or documents except as otherwise permitted or required in accordance with record retention policies, as applicable
- (c) fraud or deliberate error in the preparation, evaluation, review or audit of any of the Company's financial statements;
- (d) fraud or deliberate error in the recording and maintaining of the Company's financial records;
- (e) deficiencies in or non-compliance with the Company's internal accounting controls;
- (f) misrepresentations or false statements to or by a Company officer or accountant regarding a matter contained in the Company's financial records, financial reports or audit reports;
- (g) deviation from full and fair reporting of the Company's financial condition, results of operations or cash flows;
- (h) any effort to mislead, deceive, manipulate, coerce or fraudulently influence any internal or external accountant or auditor in connection with the preparation, examination, audit or review of any financial statement or records of the Company; and
- (i) acts or omissions contrary to law or regulation, including those providing for criminal and administrative offenses.

This Policy is not designed to question financial or business decisions taken by the Company, nor should it be used to reconsider any other matters which have already been addressed under other procedures.

### **SAFEGUARDS**

#### **Policy Oversight**

The Audit Committee has the responsibility of overseeing this Policy and compliance by the Company.

## **Protection**

This Policy is designed to offer protection to those who disclose a complaint ("**Whistleblower**"), provided the disclosure is made in good faith. It is a violation of securities law to take reprisal against a whistleblower and such actions could expose the Company to sanctions. For these purposes, a reprisal is any measure taken against an employee that "adversely affects" his or her employment. That includes disciplining, demoting or suspending the employee or threatening to do so, terminating or threatening to terminate the employee, intimidating the employee or imposing or threatening to impose a penalty relating to employment. Anyone engaging in retaliatory conduct will be subject to disciplinary action by the Company, which may include termination. If you believe that you have suffered any such treatment, you should inform your supervisor and/or your Human Resources department immediately. Alternatively, you can contact the Ethics Officers via the process outlined below.

## **Confidentiality and Anonymity**

The Company will treat all good faith complaints in a confidential and sensitive manner. A report of a complaint will only be disclosed to those persons who have a need to know in order to properly carry out an investigation of the complaint. Report of complaints shall be kept in a file that is separate from the personnel files of the Whistleblower and the person(s) to whom it relates.

Whistleblowers may choose to identify themselves or remain anonymous.

If a Whistleblower chooses not to make an anonymous report, the report will be treated on a confidential basis and the identity of the Whistleblower will be protected to the fullest extent reasonably practicable. Legal, business or other practical requirements may not allow for complete anonymity, and in some cases, it may not be possible to proceed with or properly conduct an investigation unless the Whistleblower identifies themselves. In addition, anyone filing a complaint must be cautioned that his or her identity might become known for reasons outside the control of the individuals receiving and reviewing the report. Should a Whistleblower make his or her identity known to persons outside of the Whistleblower Hotline, the Company shall no longer be obligated to maintain the Whistleblower's identity in confidence.

## **Untrue Allegations**

If an individual makes an allegation in good faith, which is not confirmed by subsequent investigations, no action will be taken against the individual. In making a disclosure, the individual should exercise due care to ensure the accuracy of the information. If, however, an individual makes malicious or vexatious allegations, disciplinary action, which may include termination, may be taken against the individual.

## **PROCEDURE FOR MAKING A DISCLOSURE**

### **Report to Supervisor and/or Human Resources**

Complaints by personnel must be reported immediately to their supervisor and/or local Human Resource department who will then notify the Vice-President – Audit & Compliance for board of director consideration. Please refer to the Company's Policy on Incident Reporting for further information.

However, if for some reason personnel do not feel comfortable reporting the breach internally, they have the right to bypass the line management structure and take the concerns directly to the Chairperson of the Audit Committee and the President and Chief Executive Officer of the Company ("**Ethics Officers**").

The complaint should be specified in detail in a letter and should be mailed to the following address:

Dorel Industries Inc.  
Confidential – Chairperson, Audit Committee and President & Chief Executive Officer  
1255 Greene Avenue  
Suite 300  
Westmount, Quebec H3Z 2A4  
Canada

The complaint may result in an in-person/virtual face-to-face meeting with the ethics officers (or their designates), as required.

### **Confidential Reporting**

Alternatively, a confidential and secure email can be addressed to these individuals at the following email addresses:

Ms. Sharon Ranson  
Chairperson, Audit Committee  
[AuditCommittee@dorel.com](mailto:AuditCommittee@dorel.com)

Mr. Martin Schwartz  
President & Chief Executive Officer  
[Contactthepresident@dorel.com](mailto:Contactthepresident@dorel.com)

If personnel prefer an alternative method of contact, they may contact the Company's confidential and anonymous phone line in which a voice mailbox will allow them to communicate the complaint (English/French only). The phone number is:

**+1 514 905 4085**

### **TREATMENT OF A DISCLOSURE**

Disclosures made will be immediately available for review by the Ethics Officers. They will collectively determine if, based on the facts alleged in the disclosure, an investigation is warranted. If deemed appropriate, they will conduct an investigation in a timely manner.

The Whistleblower and all employees who are interviewed as part of an investigation are expected to be completely candid and provide all information or documentation known to them or within their possession. The intentional filing of a false disclosure or providing false information in connection with an investigation is itself an improper activity.

The Whistleblower is not entitled to be part of the investigation or to conduct their own investigative activities. The Whistleblower will be kept informed of progress and the outcome of the investigation, if reasonably possible within the constraints of maintaining confidentiality or observing legal restrictions generally.

Regardless of whether an investigation is deemed appropriate or the outcome of any investigation, the Audit Committee will be provided notice that a report was filed and the nature of the report.

## **POSSIBLE OUTCOMES OF A REPORT**

The following actions may be taken after the facts have been reported:

- (a) The facts are not investigated further due to a lack of evidence or because they are considered to be unfounded or unsubstantial;
- (b) The facts are investigated but are not followed by any disciplinary procedure or legal action; or
- (c) The facts are investigated and are followed by a disciplinary procedure (up to and including dismissal) and/or a legal action dependent on the results of the investigation and in accordance with applicable laws.

The Whistleblower will be informed of the final outcome of the Company's investigation, as appropriate. All responses to the Whistleblower will be in writing and sent to a home address, if provided.

## **QUALITY AND INTEGRITY OF THE HOTLINE DATA**

The Company will take reasonable steps to ensure that all information contained in a complaint through any of the above mentioned processes ("**Whistleblower Hotline**"), as well as information obtained in the course of investigating a complaint (such as evidence, identities of witnesses, and testimonies), and the internal reporting and disciplinary decisions involved with a complaint, including any comments or notes that are made in connection with a complaint or investigation thereof is relevant, accurate, complete, current, and reliable for its intended use. The individuals in charge of processing the complaint and/or investigating the facts must rely on objective data that have a direct link with the scope of the Whistleblower Hotline and that are strictly necessary to verify the facts reported.

## **COMPLIANCE WITH APPLICABLE LAWS**

### **Registrations and Notifications**

The Company has set up its whistleblowing procedure in accordance with all applicable laws and, where required, has complied with any registration formalities or notification and/or consultation procedures that may be required under applicable laws.

## **PROTECTION OF PERSONAL DATA**

### **Controller**

The controller of the Whistleblower Hotline data is Dorel Industries Inc.

## **Purpose of the Processing of Personal Information**

The Company may collect information about the Whistleblower or others related to the complaint that can be used to identify, directly or indirectly, such person (“**Personal Information**”) for the purpose of investigating the complaints it receives. Personal Information may also be used as evidence of an individual's wrong-doing or to determine what actions may be required (such as disciplinary or judicial actions). Depending on the nature of the Complaint, the legal basis of the processing will be either the legitimate interests of the Company or compliance with a legal obligation.

## **Collection of Personal Information**

The Company only collects Personal Information that it determines necessary to verify the facts that are being reported. The handling and investigating of a complaint may include the collection and processing of Personal Information, including but not limited to, the following categories:

- (a) Information concerning the Whistleblower: first and last name, address, office location, telephone number, email address, job title, internal identification number, picture, voice recordings, traffic data (e.g., IP address, log files).
- (b) Information concerning the individual(s) accused: first and last name, address, office location, telephone number, email address, job title, internal identification number, picture, voice recordings, traffic data (e.g., IP address, log files).
- (c) Information concerning the facts being reported: description of the facts, date, location, individual(s) involved, legal issues, pieces of evidence, witnesses, testimonies.
- (d) Information concerning the individual(s) involved in the handling and investigation of the complaint: first and last name, address, office location, telephone number, email address, job title, internal identification number.

## **Notification of the Individual(s) Accused**

Where required for legal reasons, the individual(s) accused will be notified as soon as appropriate that information is held about them, by whom and for what purpose. They will also be notified of their data protection rights and whom they should contact with queries. This notification will take place once it is decided that the notification would not jeopardise the Company's ability to investigate the allegation.

## **Retention of Personal Information**

The Company will not keep Personal Information related to the complaint for longer than is necessary to fulfil the purpose or purposes for which it was collected. All Personal Information collected from the Whistleblower Hotline, including the Personal Information associated with it, that are found to be unsubstantiated or that do not fall within the scope of this Policy will be deleted or archived without delay.

All complaints that are investigated, are kept for as long as the investigation is on-going and for five (5) years after closure of the investigation, unless disciplinary procedures are undertaken



against the individual(s) incriminated or there is a legal or court action brought against the individual(s) incriminated or the author of an "abusive" complaint.

After closure of an investigation and any subsequent disciplinary or court proceedings, all Whistleblower Hotline data will be archived and stored in a separate database with restricted access pursuant to record retention policy. Archived data may only be accessed to defend the Company's interests or if access to such data is requested by an authorized third party (e.g., courts, judges, public authorities) under applicable laws.

Archived data will be retained for no longer than statutes of limitation applicable to the relevant facts on which the report was made.

### **Security and Confidentiality**

The Whistleblower Hotline is managed internally by the Ethics Officers who ensure that appropriate security and confidentiality measures have been implemented to prevent unauthorized access or disclosure.

In particular, access to email hotline data is restricted and reserved to the Ethics Officers (or their proxies) who may only access the data by entering a unique user ID and password.

### **International Transfers**

Any transfers of personal data from one of Dorel's companies in the European Economic Area ("EEA") to service providers or other companies within the Dorel group outside the EEA will be carried out according to the standard contractual clauses approved by the European Commission.

### **Rights under Data Protection Law**

The Company complies with applicable laws which may vary from country to country. Rights under data protection law may include:

- (a) a right to access to Personal Information and to request that Personal Information be rectified in accordance with applicable laws. This access may take place at the end of the investigation, as decided by the Company, if there is a risk that prior access to Personal Information may jeopardize the investigation. The individual(s) accused will only be given access to the details of the investigation after the end of the investigation, in accordance with applicable laws and the rules on court proceedings.
- (b) Where an investigation is based on legitimate interest of the Company, the individuals have a right to object to the processing of their personal data, unless the Company can demonstrate compelling legitimate grounds for the processing which override the interests, rights and freedoms of the data subject or for the establishment, exercise or defence of legal claims.
- (c) the right to ask the Company to erase personal information (if the Company no longer requires it) or restrict processing (for example if there is a request to establish its accuracy or the reason for processing it).

(d) the right to move data to another data controller.

A complaint can also be lodged with a data protection regulator on how the Company processes personal data and if the resolution of a request is not satisfactory.

#### **REVISIONS TO THIS POLICY**

This Policy may be updated periodically and without prior notice to reflect changes in the Company's internal procedures or privacy practices. The Company will inform its employees of any significant changes to its Policy.

# TRADE CONTROLS AND ANTI-BRIBERY POLICY

## 1. GENERAL PRINCIPLES

### 1.1 Dorel Policy

As set out in more detail below, it is the policy of Dorel that all Dorel employees, officers and directors comply with all applicable trade controls and anti-bribery laws (as defined in Section 1.2 below). This includes all such laws and controls that are applicable to you or to Dorel, or that are in effect in the countries in which Dorel is located or is doing business.

Dorel also expects all distributors and other parties engaged to act for or on behalf of Dorel to comply with all such trade controls and laws.

In this policy, we use the term “**you**” to refer to each employee, officer and director of a Dorel entity. Your adherence to both the letter and spirit of this policy is a significant indicator of your judgment and competence, and will be taken into consideration as appropriate when evaluating future assignments, remuneration and promotions.

Violations of anti-bribery laws or trade controls or of this policy are considered by Dorel to be extremely serious and may result in disciplinary action up to and including termination of employment or referral to law enforcement, as discussed in Section 5 below.

This policy is administered by the Dorel Corporate Vice-President - Audit & Compliance (VP DA&C), as that term is defined herein, under supervision by the Board of Directors of Dorel. Any deviations from this policy must be approved by the VP DA&C.

### 1.2 Definitions

**Code of Conduct** means the Code of Business Conduct of Dorel Industries Inc.

**DA&C** means the Dorel Corporate Audit & Compliance function.

**Dorel** means the parent company, Dorel Industries Inc., and its direct and indirect subsidiaries, affiliates, and segments, including Dorel Juvenile, Dorel Home and all of their divisions and units.

**Intermediaries** means distributors, agents, brokers, representatives, consultants, contractors, lobbyists, service providers and any other person engaged or instructed to act for or on behalf of Dorel.

**Money laundering** means transactions related to (a) the proceeds of illegal activities, (b) the funding or financing of terrorism or (c) hiding or misreporting transactions in order to evade legitimate taxes.

**VP DA&C** means the Dorel Corporate Vice President - Audit & Compliance.

### 1.3 Anti-Bribery Laws

This policy addresses compliance with **anti-bribery laws**, including the US Foreign Corrupt Practices Act, Canada’s Criminal Code and Corruption of Foreign Public Officials Act, and the UK Bribery Act, that are applicable in the countries in which Dorel is located or does business. These laws prohibit offering or provision of payments, gifts, or anything else of value to individuals to

improperly influence the actions of those individuals, or to improperly obtain or retain business or a business advantage.

Some of these laws focus upon payments made to government employees. In this policy, the term **Officials** includes (a) any government official or employee, judge, political party, party official, or political candidate, (b) any director, officer or employee of an entity owned or controlled by a government, including state-owned enterprises, (c) any official or employee of a public international organization, and (d) any person acting for or on behalf of any of such person.

Other anti-bribery laws apply both to bribery of Officials and to commercial bribery, which is bribery of individuals in private companies.

Bribery of Officials may occur in an effort to obtain a regulatory approval or authorization to which a company is not entitled or that is otherwise outside of normal government processes, or to improperly influence the award of a government tender or contract. Commercial bribery may occur in an effort to influence an individual in another company to abuse that individual's authority in making decisions about their company's business.

Bribery may take the form of cash payments, or costly or lavish entertainment, gifts or travel arrangements. You must follow the principles set out below when providing or receiving entertainment, gifts or travel arrangements from anyone outside of Dorel. Often bribery takes place indirectly through Intermediaries, and is not properly reflected in books and records. You must follow the principles set out below for the engagement of distributors and other Intermediaries, and for financial and recordkeeping procedures.

#### **1.4 Trade Controls**

The policy also addresses compliance with **trade controls**, meaning (1) economic sanctions and other restrictions on trade with specified countries, companies, individuals or other parties, (2) export controls, and (3) anti-money laundering laws. As described in further detail below, trade controls generally prohibit transactions involving:

- (a) A small number of embargoed countries or regions within countries and their governments, and companies and individuals based in those countries.
- (b) The Venezuelan government or any company it owns or controls, and certain debt and equity transactions involving many Russian banks and companies.
- (c) Several thousand individuals, companies, organizations, aircraft and vessels included in various lists of Restricted Parties specified in Section 2.3 below.

Trade controls also restrict the export or transfer of goods, software and technologies that (a) have a potential military or other sensitive use, (b) utilize encryption or (c) could be used to commit human rights abuses.

#### **1.5 Books and Records**

Recordkeeping is an essential part of compliance with trade controls and anti-bribery laws. All Dorel expenses, including those related to entertainment, gifts and travel, must be promptly and accurately documented according to Dorel policies. Expense documentation should include the business purpose, cost, the venue and recipient.

Undocumented payments are prohibited, and no false or misleading entries in Dorel books and records may be made. Books and records may not be destroyed outside of Dorel standard document retention policies, unless prior written approval is provided by the VP DA&C.

You must maintain required records relating to exports and the other matters addressed in this policy for seven years. Consult with the VP DA&C if you have any questions, including regarding whether particular documents are required to be maintained.

## 2. TRADE CONTROLS POLICIES

### 2.1 Restricted Territories and Parties

It is Dorel policy not to engage in any transaction involving a Restricted Party, any party that is controlled by or acting for or on behalf of one or more Restricted Parties, or any entity in which Restricted Parties together have a 25% or greater ownership interest, except as may be approved by the VP DA&C as described below.

The term **Restricted Parties** means:

- (a) (a) Any party headquartered, organized or ordinarily resident in a **Restricted Territory**, meaning Cuba<sup>1</sup>, Iran, North Korea, Russia<sup>2</sup>, Sudan, Syria, Venezuela, the Crimea region of Ukraine (i.e., Autonomous Republic of Crimea and the city of Sevastopol), and the Occupied region of Ukraine including the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the area of the Kherson oblast and the area of the Zaporizhzhia oblast.
- (b) Any government of a Restricted Territory.
- (c) Any party included in the US restricted party lists, as follows:
  - (i) US restricted party lists searchable at <https://bit.ly/2LJHVax>: the US List of Specially Designated Nationals (**SDN List**), Sectoral Sanctions Identifications Lists, Consolidated Sanctions List, Denied Persons List, Entity List, Unverified List, nonproliferation sanctions list or lists of debarred parties; and
  - (ii) the Non-SDN Menu-Based Sanctions List maintained by the U.S. Department of the Treasury, the Military End-User List maintained by the U.S. Department of Commerce, the CAATSA Section 231(e) List Regarding the Defense Sector of the Government of the Russian Federation maintained by the U.S. Department of State, and the list of Communist Chinese Military Companies maintained by the U.S. Department of Defense.

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<sup>1</sup> Canada, the European Union and other countries do not embargo transactions involving Cuba and have "blocking laws" that may restrict parties in these countries from refusing to do business with Cuba because of the US embargo. Dorel does not currently have any business relating to Cuba and for commercial reasons Dorel does not presently intend to do so. You may not make a decision or take any action relating to such business or refusing such business without prior discussion with and clearance from the VP DA&C.

<sup>2</sup> The Company has chosen to embargo transactions involving Russia due to the Russian occupation of certain regions of Ukraine. The Company reserves the right to lift this embargo at any time, at the discretion of the Board of Directors.

- (d) Any party included in the Canadian Consolidated SEMA Sanctions List at <https://bit.ly/3dbVeKZ>, the Canadian terrorism list at <https://bit.ly/3rgyz71>, the list of blocked parties under Canada's Magnitsky Regulations at <https://bit.ly/3mlHhHr>, or Canada's list of blocked corrupt foreign officials at <https://bit.ly/3h7Uj01>.
- (e) Any party included in the EU or UK consolidated financial sanctions lists at <https://bit.ly/3h6oxR6> and <https://bit.ly/2yCLx8l>.

(To the extent any of the links above are no longer active, check with DA&C for updated lists.)

Trade controls change over time because governments periodically add, remove or adjust restrictions.

The VP DA&C may review and approve any transaction prohibited in this Section 2.1 provided that any required government license to engage in the transaction is obtained, or based upon a determination that no license is required. When required, such licenses may be complex and time-consuming to obtain.

## 2.2 Blocked Persons

Many (but not all) Restricted Parties, referred to in this policy as **Blocked Persons**, are covered by blocking (asset freeze) sanctions. These sanctions generally require the blocking (freezing) of the funds and other assets of Blocked Persons, and generally prohibit transactions involving them or their assets. The following are Blocked Persons:

- (1) Any party included in the US SDN List, and any entity in which parties designated on the SDN List in the aggregate own a 50% or greater ownership interest.
- (2) Any party included in any list identified in paragraphs (d) and (e) of the definition of Restricted Parties, and any entity that is owned or controlled by such listed parties.
- (3) Any party owned or controlled by a government of a Restricted Territory or owned or controlled by an Iranian bank.

## 2.3 Restricted Party Screening

- (a) The lists of Restricted Parties referenced above cover several thousand individuals, companies and organizations. In the following **Specified Jurisdictions**, there is a more substantial risk of encountering Restricted Parties, or cross-border transactions with the Crimea region of Ukraine (i.e., Autonomous Republic of Crimea and the city of Sevastopol), and the Occupied region of Ukraine including the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the area of the Kherson oblast and the area of the Zaporizhzhia oblast (item a below), Iran (item b below), or Venezuela (item c below):

- (a) **Ukraine;**
- (b) **Iraq, Lebanon, Qatar, Turkey and the UAE;**
- (c) **Brazil, Colombia, Nicaragua and Panama;** and

- (d) **Afghanistan, Albania, Belarus, Bosnia and Herzegovina, Burundi, Central African Republic, the DRC, Egypt, Guinea, Guinea-Bissau, Libya, Mali, Montenegro, Myanmar, North Macedonia, Somalia, South Sudan, Tunisia, Yemen and Zimbabwe.**

DA&C carries out quarterly screening (checking) of existing distributors against the lists of Restricted Parties, and also carries out such screening when considering whether to work with a new distributor or enter into a new distributor contract. DA&C maintains a separate, detailed procedure on how to carry out these Restricted Party screenings, using a comprehensive commercial Restricted Parties database.

## **2.4 Beneficial Ownership Verification in Specified Jurisdictions**

Dorel requires distributors that are located in or sell in a Specified Jurisdictions to provide annually an Annual Data Form (see Section 4.2 below). Among other things, this form requests **Beneficial Ownership Data**, meaning information regarding individuals and entities that have a 25% or greater ownership interest in the distributor or its parent companies, along with organizational documents and the names of directors for the entities, except as may be approved by the VP DA&C.

DA&C verifies and reviews the Beneficial Ownership Data gathered from each distributor (**Beneficial Ownership Verification**) on an annual basis. Beneficial Ownership Verification is also done by DA&C when Dorel is considering whether to work with a new distributor or enter into a new contract with a distributor that is located in or sells in a Specified Jurisdiction. DA&C maintains a separate, detailed procedure on how to carry out Beneficial Ownership Verification.

One of the purposes of Beneficial Ownership Verification is to determine whether the distributor or its beneficial owners (individuals and entities that have a 25% or greater ownership interest in the distributor or its parent companies) might be Restricted Parties.

## **2.5 Anti-Boycott Rules**

US, Canada and other countries have anti-boycott laws that generally prohibit participation in the Arab League boycott of Israel. The US regulations broadly prohibit this, and include reporting requirements of a range of requests by third parties to comply with or to confirm compliance with the Arab League boycott.

# **3. ANTI-BRIBERY POLICIES**

## **3.1 Improper Payment and other Improper Transactions**

As stated in the Code of Conduct, you are prohibited from making, authorizing, offering, giving or promising to make any payment, gift, benefit, advantage, or anything else that has value, directly or indirectly including through a third party, to or for the use or benefit of any Official or any other individual in order to:

- (a) Induce such individual to act or fail to act in violation of a legal duty;
- (b) Cause such individual to abuse or misuse their position; or
- (c) Cause such individual to use their influence with a government to affect or influence any act or decision of such government.

You are prohibited from making, authorizing, offering or promising to make any bribe, payoff, influence payment or kickback, or taking any other action that would violate any anti-bribery law applicable to you or to Dorel.

Also, Dorel does not permit the payment of 'facilitation payments', *i.e.*, small amounts demanded by Officials to provide services already required by law (for example, customs clearance or customs warehousing).

### **3.2 Entertainment, Gifts and Travel**

Dorel seeks to obtain and retain business on the basis of the quality and competitiveness of its products and services, and to make purchasing and sourcing decisions on the basis of the quality and competitiveness of vendors' products and services.

To that end, entertainment or gifts that you provide to or receive from any person, and travel, food or lodging that you arrange for any person, or that is arranged for you, must:

- (a) Be related to a legitimate business purpose, including but not limited to travel expenses to demonstrate Dorel products;
- (b) Be reasonable in value, not in violation of applicable law, and provided in accordance with usual business practices and in an open and appropriate manner. In many countries, what may seem like a reasonable outlay to you may be extravagant to the recipient; and
- (c) Be clearly and properly documented and accounted for.

Unless prior written approval is provided by the VP DA&C, it is prohibited for you to provide or receive entertainment, gifts or travel arrangements to or from any person that does not satisfy the requirements set out above, and you will not be reimbursed for any related expenses.

You must report to the VP DA&C a gift provided or offered to you by a customer, Intermediary or vendor if it would involve (1) a personal reward as a consideration for business, (2) cash or its equivalent, (3) stock or other securities in a customer, Intermediary or vendor, or (4) any other type of offered gift that is extravagant or unusual.

Entertainment, gifts and travel are more tightly restricted when an Official is involved. Generally you may not provide entertainment or gifts to, pay travel expenses for, or provide anything else of value to a current or former Official or their close relative, or any person you know is likely to become an Official in future. You must obtain the approval of the VP DA&C before engaging in any such conduct.

Dorel does not generally permit the use of political contributions on its behalf.

## **4. DISTRIBUTORS AND OTHER INTERMEDIARIES**

### **4.1 Engaging and Working with Intermediaries**

Dorel will engage distributors and other Intermediaries to act for Dorel only for ordinary and legitimate business purposes and on arms-length, commercially reasonable terms.

In addition to complying with the procedures described above with respect to Restricted Party screening and Beneficial Ownership Verification, you must obtain the approval of the VP DA&C



before engaging a distributor or other Intermediary to act for Dorel, and before renewing their engagement, if you have reason to believe that any of the following are true:

- (1) The Intermediary does not have the experience, qualifications or capacity to perform its role or to provide services as proposed;
- (2) Compensation for the Intermediary is not commercially reasonable, or there are unusual payment arrangements such as that payments be in cash or to offshore accounts without a valid, documented business justification;
- (3) Any trade controls concerns have arisen following a quarterly or annual check (see Section 4.4 below); or
- (4) An officer or director of the Intermediary, or a significant shareholder or partner of the Intermediary, is an Official, an immediate relative of an Official, or is suspected of involvement in corrupt activities involving an Official.

Dorel expects its Intermediaries not to sell Dorel products to Restricted Parties or Restricted Territories, to comply with anti-bribery law, and to follow the other principles set out in the Dorel Compliance Expectations Statement, which is updated from time to time (the **CES**).

#### **4.2 New Distributor Contracts**

Before Dorel engages a new distributor, the team in the relevant Dorel segment responsible for managing international distributors (the **segment ID team**) must obtain from the proposed distributor the International Distributor Annual Data Form, with the CES attached (the **Annual Data Form**).

In addition to standard credit, reference and other commercial checks carried out by the segment ID team, DA&C will carry out Restricted Party screening and Beneficial Ownership Verification (see Sections 2.2 and 2.4 above) on the distributor, utilizing the information in the Annual Data Form.

Before Dorel signs a new contract with an existing distributor, DA&C will utilize the current information Dorel has gathered on the distributor to carry out updated Beneficial Ownership Verification.

Approved new distributors, and existing distributors renewing their contracts, will be asked to sign a contract containing the standard Dorel compliance clauses for international distribution agreements (the **ID compliance clauses**). The ID compliance clauses, which are to be incorporated into the model international distributor agreements maintained in each Dorel segment, will (a) prohibit the sale of products to Restricted Parties, and (b) require distributors to provide information satisfactory to the VP DA&C or the Board of Directors as requested every six months or as may be determined by the VP DA&C or the Board of Directors. The few distributors that operate without a contract will be asked to sign the Agreed Compliance Standards, a contractually-binding version of the CES with a short-form version of the ID compliance clauses.

#### **4.3 Quarterly and Annual Review of Distributors**

On a quarterly basis, DA&C carries out Restricted Party screening (see Section 2.3 above) on all existing distributors.

Annually, the segment ID team must, in relation to each existing distributor, obtain an updated Annual Data Form and DA&C will carry out updated Beneficial Ownership Verification (see Section 2.4 above).

#### **4.4 Adverse Results from Screening or Verification**

DA&C maintains separate, detailed procedures on how to carry out Restricted Party screenings and Beneficial Ownership Verification.

Clearance from the VP DA&C is required before Dorel signs a contract with a new or existing distributor, if Restricted Party screening or Beneficial Ownership Verification has found that the distributor or a key individual associated with it:

- (1) is a Restricted Party;
- (2) has violated trade controls;
- (3) is subject to investigation or prosecution relating to trade controls violations; or
- (4) has engaged in other criminal conduct involving fraud, deceit, theft, money laundering, tax evasion, import/export laws or similar conduct.

For an existing distributor, promptly following any such finding, the VP DA&C will determine appropriate remedial measures, such as terminating or suspending the distributor's contract, or auditing its business activities related to Dorel products, and the segment ID team will implement them.

The Beneficial Ownership Verification procedure sets out, among other things, required actions if a distributor or any of its beneficial ownership appears to be a Blocked Person.

#### **4.5 Sales Incentives**

As part of its standard sales practices, and as is customary in the markets in which we operate, Dorel may offer pricing discounts and rebates to distributors, dealers or other sales channels, and may agree to pay percentage-based commissions, success fees or bonuses (often when certain sales targets are reached).

It is Dorel policy that discounts, rebates, commissions, success fees or bonuses:

- (a) Should always be commercially reasonable under the circumstances;
- (b) Should be clearly and accurately documented; and
- (c) Should be made directly to the relevant Intermediary or other party, not to an employee or other individual associated with that party.

#### **4.6 Service Providers**

Payments and other compensation to any service provider should be provided only in return for legitimate, documented services required by Dorel and actually provided by the Intermediary.

## **5. MONITORING AND AUDITING OF DISTRIBUTORS**

**5.1** Dorel will monitor, and periodically audit, all distributors in, or selling or distributing products in, Specified Jurisdictions to confirm that the distributors are not selling or distributing products to Restricted Parties.

**5.2** All contracts with distributors in, or selling or distributing products in, Specified Jurisdictions will be required to provide information satisfactory to the VP DA&C or the Board of Directors so that Dorel may confirm that there is no indication of dealings with Restricted Parties.

**5.3** Dorel will require all distributors in, or selling or distributing products in, Specified Jurisdictions to complete a certification every six (6) months confirming that it has not made sales to any Restricted Party.

## **6. REPORTING; DISCIPLINARY ACTION**

### **6.1 Questions and Reporting of Violations**

If you have any questions about the appropriateness of any action, including any entertainment or gifts, you should first raise the issue with your supervisor, who must consult with the VP DA&C. Requests for clarification of this policy should be directed to the VP DA&C.

You must report any violation or potential violation of this policy through one of these channels, or otherwise in accordance with the Policy on Whistle-Blowing. Good faith reports will be acted on without recrimination and in strictest confidence.

### **6.2 Disciplinary Action**

Any authorization or participation in a violation of applicable laws and regulations or this policy (including retaliating against an employee who has in good faith reported a potential violation) will be grounds for disciplinary action including termination of employment.

Such disciplinary action may also be taken against any individual who deliberately fails to report a violation as required, or who deliberately fails to cooperate with an investigation into an actual or potential violation. It may also result in termination of contracts or agreements with distributors or other business partners.

In addition, you should be aware that violation of applicable laws or regulations or this policy may expose you or Dorel to civil liability or criminal prosecution.

## **7. ROLES AND RESPONSIBILITIES**

It is the responsibility of Dorel senior management to implement this policy. Employees in leadership and management roles should examine their area of the business and identify any areas of increased risk for violations of the policy.

Employees with supervisory responsibilities should ensure that employees under their direction or control are familiar with and apply the provisions of this policy.

Training on this policy will be provided to all Dorel employees.