

Toromont and You

Our Code of Conduct

TOROMONT

Message from our President & CEO

Since 1961, generations of Toromont Industries employees, working collaboratively with world-leading business partners, earned a reputation for honesty, integrity and fair dealing. They created a time-honoured tradition of personal excellence and accountability.

To reflect this proud heritage and protect it for years to come, we created Toromont's Code of Conduct. It binds our company and all those who work here in a common cause and provides a framework for ethical behaviour. Living by our Code on every shift, in every branch and across every region of our broad territories will ensure that our collective everyday actions measure up to Toromont's great legacy.

This document is dynamic and is reviewed by our Board of Directors annually and updated whenever necessary to reflect new developments in the world and in our markets. Even so, the underlying principles we follow, the values we ascribe to, and the expectations we set are constant.

Personal responsibility is at the heart of our culture. All who work for or on behalf of Toromont are duty-bound to respect, promote and support our Code of Conduct and demonstrate the highest standards of business conduct. Wherever you sit in our organization, what you do matters. We encourage you to lead and lead by example.

As a multi-cultural, multi-generational business, respect for diverse backgrounds, perspectives and opinions is the Toromont way. As an inclusive, welcoming and engaging workplace that is open to all, we expect nothing less.

Understanding the Code is the first step in embracing it. If you are uncertain about any provisions, it is incumbent upon you to ask your manager or Human Resources for clarification. They are here to guide you.

We also expect you to stand up and speak out when you observe something that does not seem right. Any suspected violation of the Code or improper behaviour must be reported to your manager, Human Resources or confidentially through our confidential and anonymous Compliance hotline. You may do so without fear of reprisal.

Toromont's reputation depends on **you** and this Code applies to all of us. Together, let's preserve, protect and advance our standing in the world through behaviour that inspires confidence and trust.

Sincerely,

A handwritten signature in blue ink that reads "Scott Medhurst". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Scott Medhurst
President and Chief Executive Officer

Living Our Values

Toromont’s Values guide us in the performance of our duties and reflect what is important to our organization. We choose to live by our values in all that we do.

- Safe and Respectful Workplace
- Social Responsibility
- Uncompromising Integrity
- Empowerment at All Levels
- Growth of the Individual and the Enterprise
- Returns to All Stakeholders

This Code of Conduct applies to all divisions, business units, subsidiaries and affiliates of Toromont Industries Ltd. (“Toromont”) and to all team members including directors, officers, employees, suppliers, consultants, agents and representatives of Toromont (referred to as “we,” “us,” “our” or “you” in this Code.)

These standards of business conduct are further reinforced in our workplace policies and our Supplier Code of Conduct.

We Are All Responsible

Toromont is only as good as the people who work here and the actions we take. We all play a critical role in protecting Toromont’s culture, values, reputation and the brands we represent.



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SAFE AND RESPECTFUL WORKPLACE

Health and Safety

Toromont is uncompromising in its commitment to a healthy, safe work environment where occupational injuries and illnesses are prevented through hazard identification and mitigation. As part of this commitment, Toromont operates with detailed health and safety policies, invests in safety training and personal protective equipment, conducts regular safety inspections and compliance audits. Everyone at Toromont has both a moral and legal responsibility to ensure safe working conditions and to be aware of and comply with all safety policies, practices and governing legislation.

Policies, training and compliance are, however, not enough. Safety is foundational to our culture and a first priority. For this reason, we take personal responsibility for hazard prevention and all reasonable precautions to ensure our own safety and avoid creating danger for others.

As a further demonstration of our collective commitment to safe operations, we all follow our Five Cardinal Safety Rules. These rules are viewed as the cornerstone of our safety culture and are modelled on the best practices used by health and safety leaders in key industries we serve. Anyone who puts themselves or others in harm's way by violating any Rule will be subject to disciplinary action, up to and including dismissal.



Diversity and Inclusion

At Toromont, we recognize that diverse capabilities, experiences and perspectives enable greater organizational leadership, strength and performance and create a more stimulating and rewarding work experience. We are therefore committed to embracing diversity and inclusion at all levels of the company and within the context of relationships with suppliers, customers and other business and community partners.

Toromont defines the term "diversity" to include characteristics such as gender, gender identity, sexual orientation, race, religion, ethnicity, age, cultural background, physical and mental ability, and other features that make individuals unique.

Our individual and unique contributions, perspectives and experiences are valued and we welcome and encourage diversity and inclusion at all times.

Universal Human Rights and Labour Practices

We recognize and value the inherent dignity and worth of every person and provide for equal rights and opportunities in employment and business dealings. We honour universal human rights and labour practices.

Every person deserves to be treated with respect, dignity and equality. Basic Human Rights include freedom of speech and liberty, privacy, health, life, and security, as well as an adequate standard of living.

Toromont's contribution to setting a foundation of freedom, justice and peace in the world starts by recognizing and complying with applicable Human Rights law wherever it does business, including acknowledging and respecting the rights of Indigenous people.

Toromont respects freedom of association and recognizes the right of employees to collectively bargain. Toromont supports the elimination of all forms of forced and compulsory labour, as well as the abolition of child labour.

Harassment & Discrimination

Every person deserves to be treated with dignity, respect and equality. This principle is fundamental to our collective and individual success.

Through Toromont's policies and our behaviour and actions, we maintain and promote an environment that is free from harassment, discrimination, violence, retaliation and other disrespectful or inappropriate conduct. We ensure that all are aware of, promote and comply with Toromont's workplace policies addressing these fundamental rights and principles. Toromont will not tolerate discrimination, harassment or abusive behaviour by or against any employee, customer, or member of the community.

SOCIAL RESPONSIBILITY

Our Environment

Toromont is committed to protecting and positively contributing to environmental and business sustainability and follows all applicable laws. Through environmental and energy management programs, Toromont monitors the use of energy and water, and focuses on reducing and mitigating negative environmental impacts through initiatives that include recycling, anti-idling policies and capital investments aimed at reducing energy and water use. Toromont's remanufacturing operations contribute substantially to the circular economy.

We comply with all applicable environmental laws and company policies in the performance of our duties. It is our responsibility to bring to Toromont management's attention any environmental act or practice that we believe may be inconsistent with these intentions.

We collaborate with our suppliers and customers to develop, promote and deploy new technologies, operating methods and products that make a positive environmental impact and help address the consequences of climate change.

Charitable Donations

Toromont recognizes that industry leadership comes with responsibility to the communities where we work and live.

We want to make a positive difference in the world through our actions. Guided by the spirit of community, we lead the way in social responsibility by participating in many important charities through a corporate donations program.

Donations on behalf of the company are made ethically and transparently. For this reason, all requests for Toromont's financial assistance or product donations from a non-profit organization require senior leadership approval.

Non-Profit and Professional Associations

Toromont supports and encourages its team members to contribute to society through involvement with charitable, community service and professional organizations. However, we are careful to only make use of the company's time or resources for such activities with prior approval of our manager. Similarly, when acting or speaking on behalf of such organizations we take care to ensure that we are seen as representing such organization(s) as an individual, and not as an employee or spokesperson of Toromont.

Political Participation

Toromont is politically neutral. We do not align the organization with any political party.

On the other hand, we are perfectly free to participate as individuals in the democratic process at any level, including campaigning in elections and running for or holding public office. When engaging in political activities, we separate those activities from our association with Toromont. We do not use company assets, campaign on work premises or identify ourselves in campaign communications as employees or representatives of Toromont.

Similarly, if we wish to express our personal opinions publicly, including through social media, editorial letters or otherwise, we do so as an individual and we do not represent ourselves or allow ourselves to be seen as expressing the views of Toromont. Further, we do not identify ourselves by our position or association with the company.

UNCOMPROMISING INTEGRITY

We act with integrity and transparency in our work and business dealings. We understand that this is crucial to earning and keeping the trust of our colleagues, customers, shareholders, suppliers and community.

Entertainment, Gifts and Favours

Every person and organization doing business with Toromont must have access to our goods and services on equal terms.

We will not offer or accept bribes or kickbacks. We do not accept entertainment, gifts, cash or favours directly or indirectly that could influence, or appear to have the potential of influencing, business decisions in favour of any particular supplier, contractor or customer. This prohibition includes the exchange of entertainment, gifts and favours with government officials.

Any organization or individual offering gifts or favours, or in any other way attempting to exert undue pressure on Toromont will not and should no longer be considered as a potential supplier, contractor or customer. If offered any such favours, we report the incident to a manager immediately. If we accept such an offer, we are liable to disciplinary action up to and including dismissal.

Similarly, we will not offer gifts or favours to secure preferential treatment for Toromont. We only offer or accept gifts, favours or services in normal exchanges common to business relationships. For example, the following will normally be acceptable: exchange of modest items

of nominal value between business associates; presentation of small tokens of appreciation at public functions; and acceptance of standard low-cost promotional items.

Entertainment, such as business lunches, are limited to reasonable needs, and are never to reach such levels as to lead to any sense of obligation.

To avoid any possibility of an appearance of favouritism, employee social clubs do not accept donations of goods or services from any supplier, other than for charitable giving purposes.

Fair and Competitive Practices

Competition is an inevitable and healthy part of the business world that leads to growth, innovation and improvement.

We compete with intensity – but always deal fairly and honestly with all competitors. We comply with all applicable laws respecting anti-trust and competition. This includes a prohibition against unlawfully interacting with competitors to fix prices or sales terms, coordinating bidding activities or boycotting customers or suppliers.

Compliance with Laws

We act in compliance with applicable laws and Toromont's policies. Where our work involves activities that are subject to specific legislation, we familiarize ourselves with the requirements of that legislation and comply. If we are unsure, we seek guidance from our manager or Toromont's General Counsel. We respect and uphold, without limitation:

- Occupational Health & Safety legislation
- Competition and anti-trust legislation
- Anti-bribery and anti-money laundering legislation
- International trade regulations and export restrictions
- Environmental legislation
- Human rights legislation

Conflict of Interest

We perform our duties conscientiously, honestly and in accordance with the best interests of Toromont. We actively avoid situations in which there is, or may appear to be, a potential conflict between the interests of the company and our own personal interest.

In general, a conflict of interest exists in any situation in which we use our position in the company for personal gain or benefit, whether directly or through a family member or associate. For example, an employee buying services or products from an organization owned by his or her spouse is a conflict of interest. Many conflicts or perceived conflicts are less obvious.

What is important and required is to fully disclose to our managers circumstances that could be construed as a conflict of interest. Full disclosure **before** the fact enables Toromont to resolve

unclear situations and potential conflicts of interest ahead of any difficulty. Where necessary, individual situations are to be referred to Toromont's General Counsel for approval, subject to recommended actions needed to guard against a real or perceived conflict of interest.

It is not practical to list every situation in which a conflict or perception of conflict could arise, but the sections that follow attempt to set standards and clarify some situations in which personal and company interests may conflict. Again, as with any other area of the Code, if you have questions or are confused or concerned, communicate with your leader or Human Resources to clarify further.

Outside Business Interests

We are prohibited from holding a significant financial interest, either directly or through a family member or associate, or holding or accepting a position as an officer or director, in a company which is in a business relationship with Toromont, where, by virtue of our position at Toromont, we could in any way benefit the other company by influencing the purchasing or other decisions of Toromont. A "significant financial interest" is any interest substantial enough that Toromont's decisions could result in a personal gain or gain by the company in which Toromont has a business relationship. A substantial interest in a small Toromont supplier would qualify as a conflict whereas passive ownership of a few shares in a large, widely held stock-exchange-listed corporation likely would not. These restrictions apply equally to interest in companies that compete with Toromont in any of its areas of activity.

Outside Employment & Directorships

While on company time and/or while using company resources and property, we devote our full attention to Toromont. We may hold additional modest outside employment or self-employment provided it is conducted on our own time, using our own resources, and in a manner so as not to adversely affect our performance at Toromont, Toromont's corporate interests or the public perception of Toromont. We do not divert business away from Toromont. For example, we do not conduct business for, or receive calls or emails for our outside employment while at work, nor do we use Toromont's assets to conduct our non-Toromont business.

We may hold outside directorships, whether for profit or otherwise if doing so does not adversely affect our performance at Toromont or represent a conflict of interest.

Notwithstanding the above, we are prohibited from accepting work with a competitor, or with any organization that could lead to a conflict of interest or a situation prejudicial to Toromont's interest. This prohibition also applies to our own business (self-employment) and also includes offering anyone any type of product or service that could be offered as part of Toromont's product or service offering. Any such work or employment (including self-employment) constitutes a clear conflict of interest and will lead to dismissal.

All outside jobs, self-employment activities and/or outside directorships that could adversely affect an employee's performance at Toromont or the corporate interests or public perception of Toromont are fully disclosed and referred to Toromont's General Counsel for approval. Transparency is extremely important to us – when in doubt, we disclose.

Confidential Information

We do not disclose to any person outside our organization any confidential information about Toromont's activities or business, except when properly authorized to do so in the normal course of business.

Similarly, we protect personal information about our customers, shareholders, suppliers and each other in compliance with applicable privacy laws and Toromont policies. We follow Toromont policies and procedures related to the protection and use of confidential and personal information.

It is unethical and often illegal for us to use confidential information gained by virtue of our employment for personal gain, or for the benefit of friends, family members, associates, customers, shareholders or suppliers. The obligation of confidentiality applies to all past and present Toromont team members.

Use of Company Assets

We are accountable for the proper use, reasonable care and security of company property entrusted to us and follow all applicable Toromont policies and procedures.

- We do not use Toromont's property for personal use, gain or other benefit. This includes Toromont-provided technology such as computers, cell phones and other electronic devices. Occasional limited, incidental use may be permitted.
- Intellectual property developed or otherwise provided by Toromont, including software and applications, is used for business purposes only. We do not violate intellectual property laws or company policies by either copying software or using it for non-business purposes.
- Business opportunities that we identify during the course of our employment belong to Toromont and are brought to the company's attention. We do not pursue any such opportunity for personal benefit.
- We do not have the right to dispose of Toromont's property without prior permission, in writing, from Toromont's Chief Financial Officer or Chief Executive Officer, except in the legitimate course of performing our duties for customers.

We never use company provided technology or property for illegal or obscene purposes or uses that would create liability for Toromont or negatively affect Toromont's reputation.

Cyber Security

The security of Toromont's computer systems is critical to its continued success. We are vigilant in protecting Toromont's computer systems from unauthorized access, viruses or intrusion.

Access to Toromont's computer resources is restricted and can only be used in accordance with company policies. We keep up to date with all IT policies and take required training. We are responsible for closely guarding our access credentials and for not divulging this information to anyone for any reason. Passwords are unique and are changed regularly.

Social Media

Facebook, Instagram, Twitter, LinkedIn, YouTube, blogs and other social networking tools and platforms for online collaboration are significantly changing the way we work, communicate and connect. These social media tools offer efficient ways to engage with colleagues, customers, suppliers, potential employee candidates and the world at large. Use of these tools and platforms also creates new responsibilities.

We comply with Toromont's Social Media Policy. We use common sense when deciding to post information or comments about Toromont or its people, or our using job titles or professional affiliation with Toromont. Such postings never include language or commentary that is obscene, derogatory, disparaging, disrespectful or that can affect Toromont's reputation or workplace. We do not disclose confidential or proprietary information in our postings, nor do we misrepresent ourselves and our relationship with the company.

Business and Accounting Practices

As a Toronto stock-exchange listed company, Toromont has a duty to its shareholders to maintain appropriate business and accounting practices. All company payments and other transactions are properly authorized by management and accurately and completely recorded in the company's books and records in accordance with generally accepted accounting principles and established corporate accounting policies.

Toromont does not tolerate the creation of false, incomplete or misleading entries or records, including travel expense reports.

We report information accurately and honestly. Undisclosed or unrecorded corporate funds may not be established for any purpose. We do not place any company funds in personal or non-corporate accounts. Toromont's financial statements represent full and fair reporting of the company's financial condition and we follow internal accounting controls.

Complaints or concerns regarding accounting, internal accounting controls or auditing matters should be relayed to Toromont's confidential and anonymous compliance hotline: **1-866-254-2730 or tih@openboard.info**

Investment Activity

We may become privy to information that has not been publicly disclosed and that could be used illegally to gain an unfair investment advantage. For this reason, we are prohibited from acquiring or disposing of any interest, including publicly traded shares in Toromont or companies affiliated with the company, either directly or through family members or associates, by reason of undisclosed material information until a reasonable period of time *after* such information has been publicly disclosed. This prohibition applies any time we are aware of undisclosed material information, and not only during Toromont's regular no-trading ("blackout") periods.

Various provinces and states have legislation prohibiting "insider trading", which means buying or selling securities or influencing the purchase or sale of securities based on knowledge which is not available to the public. When trading or contemplating trading in securities of Toromont or companies affiliated with or doing business with Toromont, we have a responsibility to familiarize ourselves with the relevant legislation and with Toromont's insider trading guidelines including its relevant blackout periods.

EMPOWERMENT AT ALL LEVELS

Decentralization

Toromont is a decentralized company. Our Board of Directors and executive leadership team set the tone through policies, and corporate strategies and then grant authority with accountability for performance to our business unit leaders.

In turn, those leaders delegate responsibility outward so that decision-making is dispersed and employee empowerment at all levels can take hold.

This system of distributed leadership has been in place for many years and helps every Toromont business stay highly attuned to the needs of customers in the diversified markets we serve.

Empowerment at all levels creates a more resilient, capable workforce and a workplace that fosters personal growth and achievement as we take on progressively more interesting and challenging assignments.

Alignment

Every Toromont business is expected to align to our business model and five core strategies outlined below. Alignment is a precondition to the delegation of authority.

This approach is designed to create deep, ongoing connections between Toromont and customers and give Toromont exposure to customers' capital spending and operating spending cycles.

Our five strategies are to: expand markets, strengthen product support, broaden product offerings, invest in our people and resources and maintain a strong financial position.

Toromont encourages further alignment through the Employee Share Purchase Plan and expectations for share ownership by our directors and leaders.

GROWTH OF THE INDIVIDUAL AND ENTERPRISE

Training and Development

Toromont recognizes that we are only capable of effectively executing our core strategies through the investment and enablement of our most important assets – our people. Therefore, Toromont encourages and supports continuous learning and development aimed at broadening and updating our skills and capability and contributing to the success of the company and the proper functioning of our decentralized and empowered organizational system. Toromont identifies current and anticipated learning and development needs that are relevant to the organization and our team in order to design and deliver effective programs.

We take ownership for our personal learning, career development and success. We keep abreast of developments in our relevant field and perform our duties in accordance with the recognized standards and ethics codes of our respective professions or trades. We expect Toromont leaders to provide guidance in the development of our careers.

RETURNS TO ALL STAKEHOLDERS

This Toromont value aims to create linked prosperity for everyone connected to the business.

Customers

We take pride in our work and understand that Toromont's success is directly correlated to the accomplishments of our customers. We are fair, open and honest with our customers and provide responsive, efficient and courteous service, quality products and value for money. We take the time to listen and attend to our customers' needs and preferences and make every effort to build customer loyalty through legitimate means.

Employees

We are empowered to grow personally and professionally through challenging assignments, learning opportunities, as well as coaching and mentoring. We are encouraged to actively seek out these opportunities and relationships. Through hard work and the demonstration of skill, we can earn advancement opportunities and progressively more responsibility. We work for a company that believes in personal empowerment and responsibility, prefers promoting from within wherever possible and provides competitive benefits.

Shareholders

We are united in our dedication to ensuring a profitable investment for Toromont's shareholders, many of whom are employees. We demonstrate excellence and efficiency in the execution, planning and results of our work with the goal of delivering value to the company and generating a competitive return on investment. We understand that profitability contributes to financial sustainability and the creation of funds for learning and employment growth.

Suppliers

We treat our suppliers as valued allies and we collaborate with them in the delivery of high-quality products and services to Toromont customers on a competitive basis. We are fair, open and honest with all suppliers and strive to facilitate necessary access to our business by all qualified companies. It is important that our suppliers are aligned with Toromont's values, especially when they interact with us, our customers and other business partners. Toromont maintains a supplier and contractor qualification and management program in order to assess, select and monitor suppliers that provide goods and services for our business. Through this program, all new Toromont suppliers are expected to commit to the principles set out in our Supplier Code of Conduct and comply with all laws. Contractors also undergo additional qualification assessments and training, including contractor health and safety training, as appropriate.

Society

Toromont is committed to human rights, democracy, protecting the natural environment and participating in charitable causes. It also believes in paying its fair share of taxes and always follows the rules and regulations of the jurisdictions in which it operates.

COMPLIANCE WITH OUR CODE

Our Shared Responsibility

Toromont's reputation as an ethical company is worth protecting. Integrity is essential to our success and the success of the company. This Code is the starting point for preserving our way of doing business. Accordingly, we share a responsibility to adhere to the standards described in this Code and, wherever applicable, the standards described in more detailed policies, guidelines or legislation.

We must review this Code annually or when requested to do so from time to time. We must certify that we have read it and understood it and confirm our continued compliance with it. During this sign-off procedure, there is an opportunity to discuss any circumstances that may have arisen which could be a conflict of interest or cause concern with regard to any other section of this Code. These discussions are valuable and will take place with a manager or Human Resources representative.

Leading by Example

Toromont managers have an additional responsibility to lead by example, and to promote and encourage full awareness, understanding and compliance with our Code. They are expected to create an environment where everyone feels comfortable in speaking up, asking questions, raising concerns and whenever necessary, escalating those concerns to ensure they are remedied immediately.

When in Doubt

At any time, if you are not certain about how this Code applies to a particular situation, or if you need further guidance and information, you are encouraged to speak with your manager, or Human Resources representative.

If you feel unable to seek clarification from your manager or Human Resources, you can refer any concern to upper levels of management or to the company's General Counsel.

Speak Up Without Fear

Toromont will never take action against an employee, supplier or customer for raising an ethical issue in good faith. Toromont will not tolerate any reprisal by any individual against an employee, supplier or customer for raising a concern or making a report in good faith.

Reporting

Violations of this Code, including conflicts of interest, fraud or theft from the company, or a breach of law or company policy, should be reported to a supervisor or senior manager.

For greater anonymity, such circumstances may be reported to:

1. The company's General Counsel:

Lynn Korbak

Toromont Industries Ltd.

3131 Hwy 7 West, P.O. Box 5511, Building B, Concord, ON L4K 1B7

Tel: 416-667-5511

Fax: 416-667-5555

2. The company's compliance hotline, 1-866-254-2730 or by internet/email at www.openboard.info/tih. The hotline is operated by an independent organization and complaints may be made on a confidential and anonymous basis.

Monitoring

Toromont's Board of Directors will monitor compliance with this Code. Toromont's General Counsel provides the Board with an annual report on compliance. Only the Board of Directors or a committee of the Board may provide a waiver to Toromont's directors or senior officers.

Non-Compliance

Violations of this Code can adversely impact the reputation that we have worked so hard to earn. **Non-compliance with this Code will be considered a serious offence and will result in consequences including the imposition of discipline up to and including termination of employment.**