



Human Resources Policy

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

1.0 PURPOSE

Dacro is committed to conducting its business in an honest and ethical manner. Dacro will conduct its business in compliance with all applicable laws governing bribery and corruption, including the Canadian Corruption of Foreign Public Officials Act (CFPOA) (<http://laws-lois.justice.gc.ca/eng/acts/c-45.2/index.html>) and the Canadian Criminal Code (CC).

The purpose of this policy is to set out the responsibilities of Dacro in conducting business involving a government official, to provide guidance to personnel on how to recognize and deal with bribery and corruption issues and to provide guidance to personnel as to the appropriate offering and acceptance of gifts and entertainment.

This Policy reflects the standards to which Dacro expects its subcontractors and other third-party representatives to adhere when acting on Dacro's behalf. This Policy is designed to complement Dacro's Code of Conduct and Whistleblower Policy.

2.0 SCOPE

This policy applies to all Dacro employees and any other third-party service providers to conduct themselves in a manner consistent with this policy.

3.0 RESPONSIBILITY

3.1 BRIBERY AND CORRUPTION

Bribery is the offer, promise, or provision, directly or indirectly, of a loan, reward, advantage, or benefit of any kind to a person in a position of power to influence that person's views or conduct or to obtain or retain an improper advantage.

Corruption is the misuse of power by Government Officials or other parties for illegitimate private gain.

Bribery and corruption can take many forms, including the provision or acceptance of consideration, such as but not limited to:

- Cash payments;
- Jobs or "consulting" relationships;
- Commissions or kickbacks;
- Excessive gifts, entertainment, or hospitality;
- Payment of non-business-related or lavish travel expenses;
- Illegal political contributions; or
- Provision of personal favors to the official or his/her family

Corruption and bribery are never acceptable business practices and are illegal. This applies as well for corruption and bribery facilitated indirectly through third parties, such as through family members, business associates, or intermediaries. Therefore, Dacro and Dacro employees are strictly prohibited from offering, paying, promising, or authorizing any bribe to any Government Official, or any other person, directly or indirectly through a third party or family member.



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3.2 GOVERNMENT OFFICIALS

"Government Officials" (foreign or domestic) are defined broadly under Anti-Corruption Laws to include:

- Government ministers and their staff
- Members of legislative bodies or other elected officials
- Judges and ambassadors
- Officials or employees of government departments and agencies
- Any employee of any branch of government at any level: federal, state, or local;
- Customs, immigration, tax, and police personnel;
- An officer or employee of any state-owned or state-controlled company, including Crown corporations
- People employed by a board, commission, or other body or authority that is established to perform a duty or function on behalf of a foreign state
- Indigenous government officials
- Political parties, party officials, and candidates for political office
- Employees of public international organizations

In addition, a person does not cease to be a Government Official by purporting to act in a private capacity or by the fact that he or she serves without compensation.

3.3 ROLE AND RESPONSIBILITIES

All Dacro employees play a vital role in the prevention of bribery and corruption. In the event an employee:

- believe or suspect that an employee or Dacro is involved in corrupt behavior
- is offered a bribe by a third party or are asked to make one
- believe that you are a victim of another form of unethical, corrupt or other unlawful activity,

He/she may report it to their manager, Human Resources representative or as set out in Dacro's Whistleblower Policy. Employees who report behavior that is contrary to this Policy will be protected in accordance with Dacro's Whistleblower Policy and will not be subject to any retaliation. Reports and enquiries will be treated confidentially according to Dacro's Whistleblower Policy.

4.0 FACILITATION OF PAYMENTS

Facilitation payments are those that are not made to obtain business or other improper advantage, but rather to expedite or secure the performance of routine, non-discretionary governmental action. Dacro prohibits the use of facilitation payments to expedite a government or public official to do something they are required to do. Payments to obtain permits, licenses, visas, work orders to allow a person to do business in a foreign country, providing police protection, mail delivery or phone service, scheduling inspections or the loading or unloading of cargo, are all examples of government action that is non-discretionary, and therefore, actions that we will not pay to have performed in an expedited manner.

Facilitation payments do not include the legitimate payment of official fees paid directly to a government or agency or enterprise of the government in accordance with established fee schedules or other official documents



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5.0 GIFTS, ENTERTAINMENT AND TRAVEL

Unsolicited gifts or entertainment arising within the course of normal business may be accepted only if the present reasonable expenditure and do not compromise the individual's objectivity

Gifts, hospitality, or other benefits to Public Officials entail greater risk and are strictly prohibited if it might reasonably be seen to have been given to influence the performance of their duties.

6.0 DUE DILIGENCE

Dacro can be liable for actions of Dacro contractors, subcontractors, suppliers, agents, partners, joint ventures, and minority-owned subsidiaries under Anti-Corruption Laws. Dacro employees must make their best efforts to ensure that the actions or interactions with, any Dacro Representative will not violate applicable Anti-Corruption Laws.

Where a potential relationship may be vulnerable to corruption risk, the following guidelines should be followed:

- Due diligence investigations must be made, recorded, and preserved to determine if the party has any historical violations or investigations under applicable Anti-Corruption Laws, and to determine if any red flags existed that would lead you to reasonably believe the party presents and significant corruption risk.
- Inquiries should be made, recorded, and preserved around the party's connection to any political parties, candidates, or public officials to ensure they are permissible under applicable Anti-Corruption Laws.
- The contracts between Dacro and third-party must contain the following provisions:
 - The third-party's obligation to strictly comply with applicable Anti-Corruption Laws and regular certification of compliance
 - Dacro's right to audit the other party's books and records for any potential interactions with public officials
 - Dacro's right to terminate the contract, without penalty, if credible evidence is discovered of a violation of applicable Anti-Corruption Laws
- Throughout the relationship with the third-party, Dacro must regularly monitor and be alert to suspicious circumstances. For example, requests for discounts and/or unsubstantiated payments should be investigated to ensure they are not being made in order to fund inappropriate transactions otherwise prohibited under this Policy

7.0 RECORD KEEPING AND ACCOUNTING INTERNAL CONTROLS

Payments for gifts, entertainment, and travel are audited to be in compliance with this Policy. All expenses and payments are approved in accordance with Dacro's procedures and are properly recorded in Dacro's ERP system. Invoices are matched with receipts, receiving documents, and purchase orders to ensure expenses are legitimate. Segregation of duties ensures that no one individual has exclusive control throughout the procurement and payment cycle. Monthly reviews are completed to ensure the continuous monitoring of expenses and records of this review are kept in the Accounting files. Dacro is also audited annually by an external party which includes random transaction testing.