



Enhanced Managerial Review Guideline

Integrity Compliance

The following are guidelines for the Integrity Compliance Committee to consider in conducting an Enhanced Managerial Review in addition to the responses provided by the Due Diligence Questionnaire (DDQ)

Description of Integrity Compliance Measures	No	Yes	Partially	Planned
1. Leadership or "Tone from the Top" - The approach taken by a Company's executives to emphasize the critical importance of ethical business conduct and practices in all activities of the Company and behavior of its employees.				
1.1 Is there strong support from the CEO and senior management that unethical business practices will not be tolerated?				
1.2 If there has been a past or current instance of an unethical business practice either criminally or involving a civil action, did an independent body or court make recommendations for changes? If yes, have the recommendations been implemented.				
1.3 Does the Company hire a third party to audit its financial and accounting procedures?				
1.4 Has the Company hired a third party to audit its anti-corruption or integrity policies and practices				

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2. Policies - These are the corporate policies that promote ethical business conduct and practices such as a Code of Ethics, a Code of Business Conduct, a policy for the protection of whistleblowers, etc.				
2.1 Does the Company have anti-corruption compliance measures designed to detect and deter corruption, which include: <ul style="list-style-type: none"> a. A clearly articulated written policy against violations of the CFPOA and other similar legislation? b. Compliance standards and procedures that apply to all directors, officers, employees, and outside parties acting on behalf of the Company? 				
2.2 Does the Company assign anti-corruption compliance responsibility to a senior corporate executive(s) with direct reporting to				



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independent monitoring bodies, such as internal audit or the Board of Directors?				
2.3 Is the Company's Board of Directors briefed on anti-corruption and compliances measures?				
2.4 Has the Company ever sought the advice of a third party to review its anti-corruption compliance?				

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<p>3. Internal Controls - These are the ensemble of corporate systems that ensure there are sufficient controls pertaining to high-risk areas of the Company, such as the financial system controls, the relationship with and system of payment of Agents, and the Company's enterprise resource management system.</p>				
3.1 Does the Company have a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts?				
3.2 Are the Company's internal accounting controls, for maintaining fair and accurate books, applied in all Company entities?				
3.3 Does the Company conduct risk assessments in order to ensure that its policies and procedures are current to evolving corruption risks facing the Company and taking into account a number of specified factors, including the Company's geographical organization, interactions with various types and levels of government officials, industrial sectors of operation, and involvement in joint venture agreements?				
3.4 Does the Company have policies that include provisions governing: <ul style="list-style-type: none"> a. Gifts, hospitality, entertainment and expenses? b. Customer travel? c. Political contributions? d. Charitable donations and sponsorships? e. Facilitation payments? f. Solicitation or extortion? 				



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4. The Use of Agents, Representatives and Third Party Intermediaries				
4.1 Does the Company have due diligence and compliance requirements for the retention and oversight of agents, representatives and third party intermediaries that will have contact with the foreign buyer (including joint venture partners), including the documentation of such due diligence, ensuring they are aware of the Company's commitment to anti-corruption compliance, and seeking reciprocal commitments?				
4.2 Does the Company have a dedicated review body to approve and monitor the use of agents and representatives and third party intermediaries?				
4.3 Does the Company conduct due diligence of the compensation payable to the agents, representatives and third party intermediaries to ensure that the risk of an improper payment is reduced?				
4.4 Does the Company use standard provisions in agreements with agents, representatives and third party intermediaries to prevent anti-corruption violations? (Examples include representations and undertakings, the right to audit books and records and termination rights in the event of any breach of anti-corruption laws or Company policies?)				

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5. Training Programs – These are typically programs of training and awareness on ethical practices in terms of business conduct.				
5.1 Does the Company conduct training on its policies, in particular, on its ethical conduct policies?				
5.2 Does the Company require annual certification of compliance with ethical practices by directors, officers, employees, agents, representatives and third party intermediaries?				



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6. Reporting and Past Performance – Does the Company maintain a history of responses and corrective measures implemented in cases of known breaches of ethical standards?				
6.1 Does the Company have a policy and system in place for confidential reporting of possible contraventions; protection against retaliation; and responding to reports and taking appropriate action?				
6.2 Does the Company have appropriate disciplinary procedures to address at all levels of the Company, violations of laws against bribery, corrupt business practices and other breaches of the Company's ethics and compliance program(s)?				
6.3 Have there been cases of corrupt business practices in the past?				
6.4 Has the Company ever declined to work with a third party due to suspicions of bribery or corruption?				
6.5 Has the Company ever removed an employee or third party due to suspicion of corruption or other unethical activity?				

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7. Project Specific				
7.1 Has the Company provided a time-line as to the development of this pursuit, including a listing of all employees, agents, representatives and third party intermediaries that will have contact with the foreign buyer? (Review the facts surrounding the introduction of the pursuit whether by the buyer, an agent, representatives, third party, embassy/high commission or CCC found pursuit).				
7.2 Is there an agent, representative or third party intermediary that has been vetted with a thorough due diligence review?				
7.3 Will there be locally engaged hires? What are the processes for engagement?				
7.4 Have any gifts or benefits, including project related trips been given to any public officials of the buyer? If yes, attach how the company has complied with local and Canadian laws?				