

ANTI-CORRUPTION AND ANTI-BRIBERY POLICY

1. PURPOSE

Co-operative Development Foundation of Canada (CDF Canada) is committed to conducting its business in accordance with all applicable laws, rules and regulations and the highest ethical standards. The purpose of this policy is to:

- a. affirm CDF Canada's commitment to full compliance with Canada's anti-bribery and anti-corruption laws and all local anti-bribery and anti-corruption laws that may be applicable to CDF Canada outside of Canada; and
- b. provide information and guidance to those working for and on behalf of CDF Canada on how to recognise and deal with corruption and bribery issues.

2. SCOPE

This policy is applicable to Board members, all CDF Canada employees, volunteers, consultants, national / international partners, contractors and suppliers of CDF Canada (each a "**CDF Canada Representative**"). This policy is intended to supplement all applicable laws and CDF Canada's other organizational policies and each CDF Canada Representative will be required to comply with all such applicable laws and other CDF Canada's policies.

3. DEFINITIONS

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. It is offence both to bribe someone and to be bribed by someone. Corruption and bribery can take many forms and are not restricted to monetary benefits. Examples of corruption and bribery include, but are not restricted to, the provision or acceptance of:

- Cash payments for corruption and bribery;
- Contracts to third parties for the provider's personal benefit;
- Favours to domestic or foreign legislative, administrative or judicial officials for personal or CDF Canada goals;
- Kickbacks i.e. receiving returns for personal benefits out of an official deal both cash and in-kind;
- Political contributions i.e. making contribution to a political party for personal or CDF Canada's gain;
- Facilitation payments i.e. bribes;
- Charitable contributions by an individual or an organization and in return expecting personal benefit;
- Social benefits such as status; or
- Gifts, travel, hospitality, and reimbursement of expenses (certain exception listed below).

Additionally, for the purposes of this policy, the terms "agent" "contractor", and "supplier" are defined as an entity or individual who provides, and receives payment for, services or goods related to any aspect of CDF Canada's operations, and include consultants.



The giving or receipt of gifts and hospitality is not prohibited, if the following requirements are met:

- (a) It has been disclosed to an individual's direct supervisor in advance (where it is possible to do so, or as soon as possible afterwards);
- (b) It is not made with the intention of influencing, inducing or rewarding a third party in order to gain any advantage through improper performance, or in explicit or implicit exchange for favours or benefits;
- (c) It complies with local laws;
- (d) It is given in CDF Canada's name, not in an individual's name;
- (e) It does not include cash or a cash equivalent (such as gift certificates or vouchers);
- (f) It is appropriate in the circumstances;
- (g) Taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time; and
- (h) It is given openly, not secretly

4. POLICY REQUIREMENTS

It is CDF Canada's policy to conduct all of its business in an honest and ethical manner. CDF Canada takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all CDF Canada's relationships and business dealings wherever CDF Canada operates and to implementing and enforcing effective systems to counter bribery.

CDF Canada Representatives should never, directly or indirectly, make or receive a prohibited payment or participate in any form or act of bribery in order to obtain, retain or direct business, or to acquire an advantage. Moreover, under no circumstances should any payment, gift or any promise for favours be made, promised or offered to any government official, government employee, partners, consultants, contractors or suppliers ("the parties") in contravention of the applicable laws of Canada or of the relevant country where CDF Canada operates. Furthermore, no CDF Canada Representative shall, directly or indirectly, give, offer or agree to give any assistance, payment or anything of value (monetary or non-monetary) to any government employee or official in order to:

- Influence the parties act or decision;
- Influence any of the parties to do or admit to doing any act in violation of his/her lawful duty; or
- obtain or retain business for, or direct business to, any individual or entity.

All business transactions and payments must be properly documented. All contracts must be written. All contracts with third parties shall include appropriate protections for CDF Canada and a positive obligation for such third party to adhere to this policy and all other relevant CDF Canada policies.

The following is a non-exhaustive list of prohibited practices:

- Bid manipulation or influencing (e.g. a commercial contract is promised to one party even though for the sake of appearance several other parties also present a bid);
- Collusion or coercion by bidders (e.g. agreements by contractors or suppliers in a particular trade or area to cooperate to defeat the competitive bidding process in order to inflate prices to artificially high levels);
- Fraudulent bids (e.g. someone who is not really intending to buy an item makes a bid or series of bids to drive up the price of the item for sale in an auction);



- Fraud in contract performance (e.g. misrepresentation in the contract performance);
- Product substitution (e.g. a situation where a cheap product has been used instead of a more expensive one in order to reduce costs);
- Defective pricing or parts (e.g. wrongly presented pricing for contract signing and subsequently amending it);
- Cost/ labor mischarging (e.g. wrongly or overly inflated cost of material and labor);
- Bribery and acceptance of gratuities;
- Travel expenses fraud (e.g. claiming fraudulent expenses);
- Theft and embezzlement (e.g. using organization's resource for personal benefit);
- Facilitation payments (i.e. bribe and corruption practices);
- Kickbacks (e.g. receiving returns for personal benefits out of an official deal both cash and in-kind); and
- Professional expenses fraud (e.g. claiming fraudulent expenses);

Any suspicion or evidence of corruption or bribery practices within CDF Canada must be reported in accordance with the procedure described below. Failure to report such incidents will be considered a violation of this policy.

5. REPORTING PROCEDURE

Human Resources is responsible for investigating complaints of wrongdoing. Anyone with suspicion or evidence of fraud, bribery or corruption practices **must** report their concerns to the person outlined in the guide below. Failure to report will be considered a breach of this policy and will result in the imposition of disciplinary action.

WRONGDOER	REPORT TO ...
Board Director	Chair of the Board
Executive Director	Chair of the Board
Director or Human Resources	Executive Director
Manager / Supervisor	Director of Operations (Human Resources)
Non-management	Immediate Supervisor and Director of Operations (HR)

When filing a complaint, be as specific as possible, including providing the following information if available:

- the name of the person, and any other individuals involved in the wrongdoing;
- nature of the wrongdoing being reported;
- specific date(s) and location(s) where it occurred;
- manner in which the alleged wrongdoing was committed by the individual or organization;
- reason why the act is considered improper;
- any existing documentation to corroborate the allegations; and
- details of any other witnesses to the alleged wrongdoing.

6. CONFIDENTIALITY

Regardless of the reporting channel and unless requested otherwise by the parties involved, reports and investigations of corruption and bribery will be dealt with in a confidential manner to the extent possible in the circumstances and except as required by law.

The level of confidentiality provided will depend on the severity of the complaint and the depth of the investigation required. Information will be disclosed during the reporting and investigation process only to the extent necessary to:

- Protect the safety or security of any individual involved in a complaint or any other employee, or any other person for whom a reasonable concern for their safety is identified,
- Conduct a proper and fair investigation, and
- Comply with the law.

7. INVESTIGATIONS OF WRONGDOING

After a complaint of wrongdoing is received, a confidential and in-depth investigation will be carried out. The Director of Operations (Human Resources) or appropriate designate will conduct the full investigation.

This will include interviewing the employee and, only if applicable, any relevant witnesses. The person or persons who are the subject of the inquiry will be notified of the allegations and the impugned individual will be afforded an opportunity to be heard on the matter.

Only the people directly involved in the complaint will be informed of the undertaking of an investigation. The investigator will ensure that the investigation is fact-based, neutral, fair and thorough.

Investigations will be conducted in a timely manner, with every effort being made to conclude the investigation within **30 days**.

Any destruction or concealment of evidence relevant to an investigation will result in disciplinary action, up to and including termination.

At the conclusion of the investigation, a full report will be prepared, including a summary of the allegation of wrongdoing, the steps taken during the investigation, the evidence gathered from witnesses and documents, the findings of fact, and a conclusion about whether the complaint was founded in whole, founded in part, or unfounded. The complainant will be notified of the outcome of the investigation. The Executive Director, in consultation with Human Resources, will determine whether discipline is appropriate and, if so, the appropriate disciplinary penalty.

Where the employee has made a formal complaint in good faith and without malice, regardless of the outcome of the investigation, they will not be subject to any form of reprisal as a consequence of having taken such action. If, however, it is found that the employee made a false complaint frivolously, maliciously or in bad faith, appropriate discipline will be applied, up to and including termination.

8. SAFEGUARDING COMPLAINANTS

CDF Canada is fully committed to protecting individuals or entities that identify instances of suspected corruption and bribery cases, to ensure that they can raise concerns without fear of victimization, subsequent discrimination or disadvantage. Individuals who have reported cases of corruption and/or bribery practices within CDF Canada may not be sanctioned or discriminated against (directly or indirectly) as a result of their declarations.

Individuals who feel they are being subjected to acts of harassment by colleagues or supervisors (direct or indirect) as a result of their declarations to the ED's office should notify the ED, who will forthwith take steps to rectify the situation and, if necessary, take disciplinary action against the perpetrators, such as contract termination and/or exclusion from any further involvement in CDF Canada activities.

9. DISCIPLINARY ACTION

Individuals or entities who fail to comply with the terms of this policy will be subject to disciplinary action which may include contract termination and/or exclusion from any further involvement in CDF Canada activities and operations. Failure to comply with this policy (including any act to hinder or impede any investigation relating to the subject matter hereof) shall be subject to termination of employment for cause. All such disciplinary actions will be taken in consultation with Director of Operation and in line with CDF's HR policy.

10. ORIENTATION AND COMMUNICATION

CDF Canada Board of Directors, all employees, volunteers, consultants, contractors, and international partners will receive this policy document as well as an orientation on how to implement and adhere to this policy. Each CDF Canada representative will be responsible for adhering to and understanding this policy. If there are any questions or if there is any uncertainty about what practices are or are not acceptable or otherwise, the CDF Canada Representative should speak with their supervisor or a member of CDF Canada's senior management.

CDF Canada's zero-tolerance approach to bribery and corruption will be communicated to all suppliers, contractors, agents and business and other partners at the outset of CDF Canada's relationship with them and as appropriate thereafter.

11. RESPONSIBILITY FOR MONITORING OF POLICY

The Director of Finance will be responsible for the operation and monitoring of this policy; however, the Executive Director will have overall responsibility for ensuring an environment that is intolerant of all fraud and corruption.

The policy may be amended any time by CDF Canada and notice of any such changes will be forthwith communicated to all CDF Canada Representatives.

12. NO WAIVER

No waiver or deviation from this policy will be permitted.