

## **BOYD GROUP INCOME FUND ANTI-CORRUPTION POLICY AND PROCEDURE**

### **Scope**

This policy applies to the Boyd Group Income Fund, its subsidiaries, affiliates, partnerships, joint ventures (collectively the “Company”) and to such entities’ shareholders, directors, officers, employees and agents (“Company Representatives”).

It sets forth the Company’s policy against improper payments to third parties in order to gain any commercial advantage.

If you ever are in a situation that may touch upon this policy you are encouraged to contact a senior manager or in-house counsel of the Boyd Group Income Fund to seek guidance.

This policy complements the Company’s Code of Business Conduct and Ethics, and other applicable Company policies.

### **Background**

In Canada, the United States, and across the world, laws prohibit businesses from making or receiving illicit payments, contributions, or gifts or providing anything of value in order to gain a commercial advantage. For example, Canada has certain criminal offences involving bribery, corruption and influence peddling under the Criminal Code and offences relating to corrupt practices involving foreign public officials under the Corruption of Foreign Public Officials Act. As a further example, the U.S. Foreign Corrupt Practice Act makes it illegal for U.S. citizens and companies, their officers, directors, employees and agents, representatives, and any stockholders acting on their behalf, as well as, foreign companies and persons acting in the United States, to bribe foreign officials.

The penalties for violating these laws can be severe, both to the business and the individuals engaged in the illicit transaction. While the legal concepts are clear, in many instances it is not clear whether a certain type of transaction is illegal. As a result, the Company has adopted this policy to provide guidance to our Company Representatives to ensure that the Company complies with all applicable laws.

### **Policy**

The Company is dedicated to the dynamic and profitable expansion of its business and will compete vigorously, but also ethically and legally. The Company will not tolerate doing business with anyone (whether a governmental official or not) pressuring the Company to engage in corrupt business practices. No Company Representative may seek

to influence Company business or the business of the Company's clients or business partners by illegal payments, bribes, kickbacks, or other questionable inducements.

This policy is adopted to ensure compliance with the various laws in Canada and the United States related to commercial bribery.

It is the policy of the Company that no Company Representative acting on behalf of the Company may give, offer to give, or authorize money or anything of value to any Government Official (as defined below) or private individual in order to obtain or retain business or obtain any improper advantage for the Company or its current or potential business partners. Further, it is the policy of the Company that no Company Representative acting on behalf of the Company may give, offer to give, or authorize giving money or anything of value to any representative of a current or potential business partner that would violate the law, a policy of the business partner, or this policy or to gain a commercial advantage in retaining or obtaining business.

Similarly, the Company and Company Representatives may not accept anything of value from any person or entity if acceptance might compromise independent judgment or constitute an inducement or reward for past, present, or future conduct.

### **Definitions**

1. "Value" is defined as money, gifts, selling at an inflated or deflated price, contracts in which a Government Official holds a beneficial interest, employment and business opportunities to a relative of a Government Official, or the payment of medical, educational, or living expenses, travel, excessive meals, lodging, shopping or excessive entertainment expenses. The focus is on the intent of the action, not on the amount. Modest entertainment, modest meals, Company promotional items (with logo), or gifts of nominal value may be acceptable.

2. "Government Official" means (i) any officer or employee of a government or any department, agency, or instrumentality of a government (which includes a government-owned or government controlled enterprise); (ii) any officer or employee of a public international organization; (iii) any person acting in an official capacity for or on behalf of a government or governmental entity; or (iv) any employee or representative of a political party or candidate for or holder of a political office. The definition also includes spouses and other immediate family members of a Government Official.

3. "Facilitation" payments, often referred to as "grease" payments, mean payments to Government Officials to obtain non-discretionary, routine governmental action, such as obtaining police or security protection, or processing a visa, license, permit, customs invoice or other governmental paper. A "routine" action does not include the decision by a Government Official to award new business or to continue business with a particular party.

## Transaction Types

### Payments to Government Officials

Anti-bribery laws make it illegal to bribe Government Officials in order to obtain or retain business or to secure any improper advantage. The laws apply to both direct and indirect payments. In other words, the Company and Company Representatives may face liability if a Company Representative, while working on the Company's behalf, bribes a Government Official.

It is our policy that neither the Company nor a Company Representative shall make, promise, or authorize any gift, payment or offer anything of value to a Government Official, directly or indirectly, except as allowed by this Policy.

It is the Company's policy that Facilitation payments are not to be made unless authorized in advance by a senior manager, or in-house counsel of the Boyd Group Income Fund.

There may be instances in which an individual's safety may be at risk unless some inappropriate payment is made. In such cases, a Company Representative may need to take steps to protect an individual without an opportunity to get approval or seek counsel from management. If this kind of scenario arises, any Company Representative who makes a payment to ensure an individual's safety must report the matter to a senior manager or in-house counsel of the Boyd Group Income Fund as soon as practical.

### Payments to Private Individuals

While much attention is paid to illegal payments to Government Officials, there are many laws which also prohibit the payment, or the providing of value, to private individuals with the intent to influence their conduct and gain an advantage. Consequently, it is our policy that neither the Company nor any Company Representative may make, promise, or authorize any gift, payment or offer anything of value to a private individual with the intent to influence that individual's conduct in connection with the business of the Company or its clients or business partners.

### Political Contributions

A number of laws prohibit companies and corporations from making contributions or gifts and providing in-kind support to political candidates, campaign committees, political parties or other organizations connected with political activity. It is our policy that no corporate funds or resources will be used in connection with any political activity. No one is to use any Company facility or other resource in connection with any campaign activity without prior confirmation of its legality from a senior manager or in-house counsel of the Boyd Group Income Fund. The Company will not reimburse or provide a bonus to any Company Representative for individual political contributions, and

requesting or seeking a reimbursement without full disclosure is also a violation of this policy.

Employees are encouraged and may participate or contribute to any political campaign on their individual behalf, subject to this policy.

### Charitable Contributions

While the Company makes charitable contributions from time to time, it is a violation of this policy to make a charitable contribution connected with, suggested by or at the behest of any Government Official.

In addition, no charitable contributions should be made for the benefit of an individual decision-maker as a personal favor or benefit that is not thoroughly disclosed to the decision-maker's employer. Further, no charitable contributions should be made if the purpose of the contribution is to obtain an improper commercial advantage.

### Meetings/Entertainment/Hospitality/Travel and Accommodations

We encourage our Company Representatives to develop professional business relationships with current or potential business partners. Hosting meetings and providing reasonable hospitality is a legitimate way to retain and grow business and explain the advantages of the Company. It is our policy to never engage in activities that could be considered a bribe or as attempt to gain any improper commercial advantage.

The following rules will provide more detailed guidance about our policy.

- An invitation to attend a Company-sponsored meeting to a Governmental Official must be approved in advance by a senior manager or in-house counsel of the Boyd Group Income Fund.
  - An invitation will be approved only if:
    - the meeting directly relates to the attendee's skill, training, experience, and expertise;
    - any required consents or disclosures are obtained from attendee's employer;
    - attendance is permitted by law;
    - the payment is for expenses that relate directly to the promotion, demonstration or explanation of Company products or services, or to the execution or performance of a Company contract with a government or agency; and,
    - attendance includes only payment of actual travel, accommodation, and meals and does not include any per diem, recreational events, honoraria, or time spent travelling.

- Any Company-organized programs or meetings that may be attended by current or potential business partners must be held at venues that are conducive to information exchange and otherwise consistent with Company policies and values.
- Meals and Entertainment must be reasonable and moderately priced. All meals and entertainment must be consistent with the values and policies of our current or potential business partners.
- Payment for a current or potential business partner's travel and lodging must be pre-approved in writing by a senior manager or in-house counsel of the Boyd Group Income Fund. All payments must be made to the vendor (i.e. hotel or airline) and not to the individual attending the event, unless by prior agreement with the Company, the individual arranges and pays for his or her own travel and lodging and the individual provides evidence of such expenses to the Company for reimbursement. The Company will not approve payment for the attendee's spouse, family members, or other guests.

#### Promotional Items/Gifts/Educational Materials/Samples

The Company authorizes providing promotional items, gifts, educational materials or samples when all of the following requirements are met:

- They are modest in value.
- They are made no more than occasionally to any single person or organization.
- They are not, and cannot be construed as providing, a personal benefit to the person.
- They are not cash or cash equivalents.
- They are not of a kind or nature that would embarrass the Company if disclosed publicly.
- They comply with the law and the receiving organization's policy or values.
- They are not given or provided to a Government Official unless approved in advance by a senior manager or in-house counsel of the Boyd Group Income Fund.

#### **Risk Assessment and Planning**

Without careful planning, a business can be caught off guard and pressured into engaging a corrupt transaction. It is Company policy to engage in risk assessment and scenario planning to avoid situations that might pose an undue risk that a Government Official, or someone acting on their behalf, may demand a bribe in order for the Company to pursue legitimate business transactions.

The following are red flags or warning signs of a potentially corrupt business environment:

- Business Partner or Government Official recommends or requires the hiring of a certain potential Business Partner.
- Reference checks reveal Business Partner's flawed background or reputation.
- Certain Government Officials have a reputation for corruption.
- Business Partner lacks adequate facilities to perform required services.
- Business Partner requests unorthodox method of payment (e.g. substantial "up-front" payments).
- Family connections between a Business Partner and a Government Official
- Business Partner's reaction or responses to compliance with this Policy is not satisfactory.

### **Accounting**

It is Company policy that all books and records accurately and fairly reflect the transactions of the Company, as well as that the Company devise and maintain an adequate system of internal accounting controls. Our policy prohibits the mischaracterization or omission of any transaction on the Company's books or any failure to maintain proper accounting controls that result in such a mischaracterization or omission. Everyone must follow applicable standards, principals, laws and follow common practices for accounting and financial reporting. Additionally, personal funds are not to be used to accomplish what is otherwise prohibited by Company policy.

### **Responsibilities and Reporting**

It is the responsibility of every Company Representative to ensure compliance with this policy.

Any Company Representative or Business Partner who has any questions about this policy or any other anti-bribery laws should consult with a senior manager, or in-house counsel of the Boyd Group Income Fund. In addition, any person who becomes aware of a violation or potential violation of this policy or the law must promptly report this to a senior manager or in-house counsel of the Boyd Group Income Fund.

This policy complements the Boyd Group Income Fund Reporting and Anti-Retaliation policy available here: <https://boydgroup.com/assets/docs/social/boyd-cs-anti-retaliation.pdf>, which sets forth the Company's clear policy on reporting Company Representatives' concerns, including bribery and corruption concerns, and protecting against retaliation for making such reports.

### **Contact Information**

Employees can submit questions about this policy or report matters to the Company as follows:

By email:

- [chro@boydgroup.com](mailto:chro@boydgroup.com) to reach a Human Resources representative, or
- [legal@boydgroup.com](mailto:legal@boydgroup.com) to reach our In-House Counsel

By regular mail:

The Boyd Group Income Fund  
1745 Ellice Ave  
Winnipeg, MB R3H 1A6  
Canada

This policy has been adopted on and made effective as of January 1, 2019.