



**DIRECTOR, OFFICER AND EMPLOYEE  
CODE OF BUSINESS CONDUCT AND ETHICS  
OF  
FORACO INTERNATIONAL SA**

As Adopted by the Board of Directors  
November 7, 2007

**FORACO INTERNATIONAL SA**  
(the “Company”)

**DIRECTOR, OFFICER AND EMPLOYEE CODE**  
**OF BUSINESS CONDUCT AND ETHICS**

This code of conduct (“Code”) provides general guidance on the conduct expected of directors, officers and employees of the Company. Each director, officer and employee is expected to be familiar with and to adhere to the provisions of this Code. Each director, officer and employee must also recognize that this Code simply provides general guidance and is not a substitute for good judgement. Generally, this Code is designed to promote the following:

- awareness of areas of ethical risk;
- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- a culture of honesty and accountability;
- full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files or submits to regulators and in other public communications made by the Company;
- compliance with applicable governmental laws, rules, regulations and Company policies; and
- the prompt internal reporting to an appropriate person of violations of the Code.

**Compliance with Laws**

- The Company expects all directors, officers and employees to comply with all applicable laws, rules and regulations and to be able to recognize potential liabilities, seeking legal advice where appropriate.
- In particular, all directors, officers and employees shall comply with laws, rules and regulations prohibiting insider trading. Insider trading is both unethical and illegal and will be dealt with decisively.
- The Company expects all directors, officers and employees to comply with this Code and all other Company policies.
- Directors, officers and employees must not only comply with the requirements of applicable laws, rules, regulations, policies and this Code, they must ensure that their actions do not give the appearance of violating this Code or indicate a casual attitude towards compliance with laws, rules, regulations, policies and this Code.

- If there are any doubts as to whether a course of action is proper or about the application or interpretation of any legal requirement, directors, officers and employees should discuss it with the CEO and/or the Vice-CEO.

### **Disclosure of Information**

- It is the Company's policy to make full, timely and complete disclosure of important information concerning the activities of the Company.
- Except as required by law, the Company will not disclose confidential information, which includes all non-public information that might be of use to competitors or harmful to the Company or its customers, if disclosed. Confidential information is not to be disclosed by any director, officer or employee unless such disclosure is properly authorized or legally mandated. Questions regarding the appropriateness of disclosing particular information should be discussed with the CEO and/or the Vice-CEO.

### **Accounting Records and Practices**

- The Company's books and records will reflect, in an accurate and timely manner, all Company transactions. In particular, all funds and assets will be properly recorded.

### **Prohibited Payments**

- Directors, officers and employees are prohibited from paying or accepting any bribe, kickback or any other unlawful payment or benefit to secure any concession, contract or any other favourable treatment.

### **Fair Dealing**

- Each director, officer and employee shall endeavour to deal fairly with the Company's customers, suppliers, competitors and employees. No director, officer and employee is permitted to take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

### **Conflicts of Interest**

- A conflict of interest occurs when an individual's private interest interferes in any way – or even appears to interfere – with the interests of the Company as a whole. A conflict situation can arise when a director, officer or employee takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest also arise when a director, officer or employee, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, such persons are of special concern.
- Conflicts of interest are prohibited. Every director, officer and employee must avoid any conflict of interest. Every director, officer and employee shall disclose all

circumstances that constitute an actual or apparent conflict of interest. Disclosure shall be made, in the case of directors and officers, to the board of directors, and in the case of employees, to the CEO and/or the Vice-CEO. When in doubt about whether a conflict of interest exists, directors, officers and employees should discuss the issue with the CEO and/or the Vice-CEO

- Directors, officers or employees who find themselves in a conflict of interest must abstain from voting or taking any other action that may impact the outcome of the activity or business transaction in question. Full disclosure enables directors, officers and employees to resolve unclear situations and gives an opportunity to dispose of or appropriately address conflicts of interest before any difficulty arises. However, if the board of directors determines that a potential conflict cannot be cured, the individual will resign from the board, if a director, or from their position with the Company, if an officer or employee.
- Where necessary, a director, officer or an employee may refer an individual situation to the CEO and/or the Vice-CEO who may recommend actions needed to eliminate or address a conflict of interest.

### **Corporate Opportunities**

- Directors, officers and employees are prohibited from: (a) taking for themselves personally opportunities that are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for personal gain; and (c) competing with the Company. Directors, officers and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

### **Use of Company Property**

- The Company assets must not be misappropriated for personal use by directors, officers or employees.
- Directors, officers and employees shall protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes.

### **Safety and Environmental Protection**

- Safety and environmental protection are fundamental values of the Company and every director, officer and employee has a role in ensuring the Company's operations comply with safety and environmental legislation and standards.
- Each director, officer and employee is responsible for taking all prudent precautions in every activity to ensure both personal safety and the safety of others.

## **Fundamental Rights**

- The Company is committed to providing all employees a workplace that respects their basic human rights. Each director, officer and employee at the Company has the right to work in an environment that is free from discrimination and harassment, including sexual harassment. Every director, officer and employee is responsible for taking all reasonable precautions not to demonstrate behaviour that can be reasonably construed as discrimination or harassment.
- The Company will take every incident of harassment or discrimination very seriously and any director, officer or employee that is found to have engaged in conduct constituting discrimination or harassment will be disciplined and, in appropriate circumstances, dismissed or removed from office.

## **Responsibility**

- Each director, officer and employee must be familiar with and comply with to the provisions of this Code and to the standards set out in the applicable policies of the Company.
- Failure to comply with this Code may lead to disciplinary action, including dismissal or removal from office in appropriate circumstances.

## **Where to Seek Clarification**

- Directors and officers should refer questions relating to this Code or its application to a particular situation to the CEO and/or the Vice-CEO
- Employees should refer questions relating to this Code or its application to a particular situation to their immediate manager. If the issue is one which the employee feels unable to discuss with their immediate manager, the matter should be discussed with the CEO and the Vice-CEO.
- All disclosure to the CEO and the Vice-CEO shall be kept strictly confidential unless, in the sole opinion of the CEO and the Vice-CEO, the matter disclosed constitutes an actual or potential threat of serious harm to the Company, to another director, officer or employee of the Company or to the general public.

## **Reporting Breaches of this Code**

- The Company encourages the reporting of breaches of this Code, including violations of laws, rules, regulations or Company policies, to the CEO and/or the Vice-CEO or, in the case of an employee, to his or her immediate manager, the CEO and/or the Vice-CEO.
- Reports of alleged breaches of this Code will be kept confidential to the extent reasonably possible. The substance of a report will not be disclosed to others unless disclosure is required for the purposes of an investigation, or to impose discipline or dismissal, or where disclosure is required by law.

- No person will retaliate against a person because that person has reported an alleged violation of this Code, provided the report is made in good faith. Any retaliation will be considered a breach of this Code
- A report of a breach of this Code is a serious matter. Reports that are investigated and determined to be malicious or vexatious, may lead to the discipline, removal from office or other negative consequences for the individual who files the report.

#### **Waivers from Code**

- In extraordinary circumstances and where it is clearly in the Company's best interest to do so, the Company may waive compliance with a requirement under this Code for a director, officer or employee. Conditions may be attached to this waiver.
- The director, officer or employee to whom a waiver is granted accepts that public disclosure of the granting of any such waiver may be required by applicable securities laws, regulations, policies or guidelines (including those of a stock exchange on which the Company's stock may be listed).