



LOOP ENERGY INC. ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

Loop Energy Inc.'s ("Loop") reputation for acting ethically and responsibly plays a critical role in our success. As an organization, we are committed to adhering to the highest legal and ethical standards including standards intended to prevent bribery and corruption; and ensuring that those who perform services for us share our commitment to conducting business ethically. Loop is highly attuned to this issue. We know that the actions of a small number of unethical individuals can seriously harm a company's reputation, lead to the destruction of shareholder value, the loss of many jobs, and cast a cloud over a company from which it may never recover. It is imperative to our reputation and integrity to strictly comply with both the letter and the spirit of this Anti-Bribery and Anti-Corruption Policy and all applicable anti-bribery and corruption laws.

Introduction

There are laws throughout the world combating bribery and corruption, including laws that apply to international activities and transactions. These laws include, but are not limited to, Canada's *Corruption of Foreign Public Officials Act*, the United States *Foreign Corrupt Practices Act*, the United Kingdom *Bribery Act* and the relevant laws of the People's Republic of China.

Loop is committed to ensuring that it, its personnel and all others who may provide services on its behalf, act strictly in compliance with all applicable laws, domestic and foreign laws prohibiting bribery and corruption.

Consistent with this obligation, this Anti-Bribery and Anti-Corruption Policy ("**Policy**") applies *without reservation* to all personnel of Loop and to each agent, representative, consultant or independent contractor acting on behalf of Loop or otherwise retained by Loop for any purpose.

Zero-Tolerance For Violation of Anti-Bribery and Anti-Corruption Policy and Laws

Bribery or corrupt activity is a criminal offence in many countries, including Canada and China. Such acts expose Loop and our personnel to the risk of criminal prosecution, fines, and imprisonment and may also be reportable or give rise to disciplinary action by applicable professional bodies. Even an allegation of bribery or corruption could do incalculable damage to the reputation of Loop. Accordingly, Loop has a zero tolerance standard for bribery and corruption. Any contravention of this Policy or any anti-bribery or anti-corruption laws could result in sanctions imposed by Loop up to and including dismissal or termination.

Bribery and Corruption

A bribe is the offer, provision or authorizing of a loan, reward or benefit of any kind, or any other thing of value to a person in a position of power, to influence that person's conduct to obtain or maintain an advantage. Persons in a position of power include any government official, such as an official of a government department, agency or government owned corporation, an international organization, and any judge, official of a political party, or any candidate for political office. The advantage can include any retainer, contract, concession, license or any other advantage. Corruption is the misuse of power by government officials for private gain.



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Statement of Policy

Bribery and corruption are *never* acceptable business practices. All personnel of Loop and each agent, representative, consultant and independent contractor acting on behalf of Loop or otherwise retained by Loop are strictly prohibited from engaging in such practices, or acting in violation of the spirit or letter of this Policy or any applicable law.

For greater certainty, all personnel of Loop and each agent, representative, consultant and independent contractor acting on behalf of Loop or otherwise retained by Loop are strictly prohibited from offering or paying or authorizing, directly or indirectly, any bribe, or attempting or promising or intending to engage in such course of conduct.

All personnel of Loop and each agent, representative, consultant and independent contractor acting on behalf of Loop or otherwise retained by Loop are strictly prohibited from soliciting or accepting, directly or indirectly, any loan, reward, advantage or benefit or any other thing of value to induce performance or refrain from performing of any function or activity.

Gifts, Meals, Entertainment and Hospitality

Relationship building with private industry clients and prospective clients is an important part of Loop's business. This often involves legal and reasonable business development expenditures, including gifts, meals, entertainment and hospitality. Nothing in this Policy should be taken to discourage legal and reasonable business development of private client and prospective clients, so long as all such business development is transparent, for relationship building purposes, and not intended as a bribe.

It is important to note, however, that business development expenditures which are legal when made in respect of private industry personnel may be illegal when applied to government officials (including employees of Crown corporations or any state-owned or controlled enterprises or agencies). For example, government officials may be prohibited from accepting tickets to sporting events and consequently should not be offered. Accordingly, meals, entertainment or other normal business hospitality may only be provided to a government official if:

It is legal and consistent with normal social or business customs in the official's country and the host's country;

It is provided in a transparent and open manner;

To your knowledge, based on reasonable due diligence, it does not violate the recipient's policies and procedures;

The cost is reasonable; and

It does not create or is intended to create any sense of obligation on the part of the recipient.

When considering the reasonableness of the expense, consider the frequency with which such expenses are incurred for a particular official. Depending on the circumstances and the countries in which hospitality is provided, modest outlays frequently incurred can, when aggregated, amount to lavish payments and may be viewed as bribe payments.



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Gifts to government officials may be given *only* if of nominal value (less than \$75) and consistent with the laws and regulations that apply to such officials. Gifts to government officials in the form of cash, stock or other negotiable instruments must *never* be given.

If you have any question about the legality or reasonableness of any proposed business development expenditure, you are expected to speak to the CEO and CFO of Loop or such other person as the CEO and CFO may direct before incurring the business development expense.

Charitable Contributions

Loop prohibits any Loop personnel and each agent, representative, consultant and independent contractor acting on behalf of Loop or otherwise retained by Loop to make charitable contributions to influence a person's or official's conduct, or to obtain a retainer, contract, license, concession or any other advantage. To avoid any perception that something of value has been provided under the guise of a charitable contribution as a condition to retain or obtain new business, or to induce any activity, such donations should not be personally linked to or done in the name of a person or public official, or directed by the person or official to a particular charity. Even the mere perception of benefit or value being given to such person or official must be strictly avoided.

Political Contributions

Political contributions can take the form of money, or the providing of premises, equipment and time or any other non-monetary contribution where such contribution is used to benefit a person holding political office, a candidate for political office, or a political party or political organization.

Great care must be taken to avoid giving any political contribution to retain or obtain new business. This is particularly the case during negotiations with such political persons, parties or organizations where even the perception must be avoided that the contribution is being offered or has been given to obtain a retainer, contract, license, concession or any other advantage.

All personnel of Loop and each agent, representative, consultant and independent contractor acting on behalf of Loop or otherwise retained by Loop are strictly prohibited from directly or indirectly offering or making contributions to a person holding political office, candidate for political office, political party or political organization. Contributions made personally, under the terms set out by Elections Canada, are allowed.

Facilitation Payments

Facilitation payments are small amounts demanded by government providers of services to 'facilitate' services required to be delivered by law, such as connecting a telephone or obtaining a visa. Typically, facilitation payments are given to an individual instead of an organization, no set amount is demanded from any one person, and payment is hidden. No receipts are issued. They are a form of bribery and illegal in many countries. Consequently, Loop prohibits its personnel and each agent, representative, consultant and independent contractor acting on behalf of Loop or otherwise retained by Loop from offering or making such payments.



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Accounting Controls

Loop maintains a system of accounting controls aimed at preventing any illegal or unethical payments, including those that are bribes, and ensures that all financial transactions are accurately, transparently and fairly recorded in Loop's books and records. Loop requires all acting on behalf of Loop or otherwise retained by Loop to have such controls.

Reporting Corrupt Conduct

Anyone who becomes aware of a violation, or potential violation, of any applicable anti-bribery or anti-corruption laws or this Policy must promptly report the matter to the CEO or CFO of Loop. Such good faith reports will be acted upon without recrimination and in the strictest of confidence.

Further Information

Any questions regarding this Policy or the implementation of the Policy in particular circumstances should be directed to the CEO of Loop.

Publication of the Policy

This Policy will be posted on Loop Energy Inc.'s website at www.loopenergy.com.

ACKNOWLEDGEMENT

I acknowledge that I have read, understood and agreed to comply with the Anti-Bribery & Anti-Corruption Policy. I have not violated the provisions of this Policy and am not aware of any violations of the Policy as of the date hereof.

Signature: _____ Date: _____

Directors and officers of the Company will be required to complete an annual acknowledgement certification.

Original Approval Date: June 1, 2021

Approved by: Loop Energy Board of Directors