



# Code of Conduct

---

<b>POLICY NO:</b> 412	<b>APPROVAL DATE:</b> December 1, 2010
<b>TITLE:</b> Code of Conduct	<b>REVISION DATE:</b> November 27, 2019
<b>SECTION:</b> Human Resources	<b>AUTHORITY:</b> Board of Directors
<b>PAGE:</b> 1	<b>OF</b> 6

---

## PURPOSE

---

The purpose of this Code of Conduct Policy is to publicly affirm the commitment of Employees and Directors of Aquatera Utilities Inc. and the Employees and Directors of each subsidiary of Aquatera Utilities Inc. (henceforth called the "Aquatera Group") to carry out their duties in the best interests of the Aquatera Group.

This Code of Conduct reflects the Aquatera Group Values in practice. All Directors and Employees are expected to comply with all applicable laws and all aspects of this Policy. This Policy does not specifically address every potential form of unacceptable conduct. This Policy is intended to supplement, not to replace, existing Aquatera Group policies applicable to the workplace.

---

## TERMS OF THE POLICY

---

### Code of Conduct

The Aquatera Group is committed to increasing its value to Employees, Shareholders, the communities in which it does business and other key stakeholders through strategic investments. Directors and Employees fulfill this commitment while upholding the highest level of ethical conduct and meeting responsibilities as good corporate citizens. All Employees are responsible for complying with the Corporate Core Values, and associated corporate policies including:

#### Respect in the Workplace

Respect is a Core Value. The Aquatera Group recognizes a shared responsibility on behalf of all Employees to exercise the basic principles of respect and dignity in all working relationships. The Aquatera Group enforces a policy of zero tolerance for demeaning, offensive, harassing or discriminatory behaviour. The Aquatera Group practices the principle of equal employment opportunity without regard to race, religion, place of origin, colour, gender, age, family status,

source of income, physical and mental disability, sexual orientation or political affiliation. All Employees are responsible for ensuring there is a safe and secure working environment.

### **Conflicts of Interest and Fair Dealings**

Employees must ensure that no conflict exists between their personal interests and those of the Aquatera Group. Employees are committed to conducting their business affairs in the Aquatera Groups best interests by dealing with customers, suppliers, contractors, competitors, existing and potential business partners and other employees in a manner that avoids real, perceived or potential conflicts of interest.

A conflict of interest occurs when undisclosed personal interests influence, or even appear to influence, the decisions of personnel in the performance of his or her duties as an Employee of the Aquatera Group. Personal interests include matters involving a Director or Employee directly, an immediate relative, or a business enterprise in which a Director or Employee or his or her family has an interest, financial or otherwise.

Employees shall not participate in or influence any decision by the Aquatera Group that they have a conflict of interest in relation to. Employees must disclose any situation that may create a conflict of interest between personal interests and the Aquatera Group's interests, particularly where personal interests benefit in any way.

Directors must declare any real or possible conflict of interest to the Board of Directors. It is the responsibility of each member of the Board of Directors to acknowledge and sign the Directors' Code of Conduct upon becoming a Director and to keep relevant information up to date by filing a Declaration of Interest annually.

### **Director Waiting Period**

Where a Director resigns from the Board and then subsequently enters into a formal relationship with the company; either as an Employee, Contractor or Partner, a minimum waiting period of six months will occur to avoid perceptions of preferential treatment. This waiting period may be waived with shareholder consultation and consent.

### **Outside Work**

Employees of the Aquatera Group may not engage in any outside work or business activity:

- a) that conflicts with their duties as an Employee;
- b) which will require use of their knowledge of confidential plans, projects or information, or use of equipment, of the Aquatera Group; or
- c) that will, or is likely to, negatively influence or affect them in carrying out their duties as an Employee of the Aquatera Group.

### **Fair Competition**

The Aquatera Group competes dynamically in an ethical and legitimate manner, complying with the competition and anti-trust laws of the jurisdictions in which it does business. The Aquatera Group and its Employees do not collude or collaborate with competitors to divide markets, restrict production or fix prices.

The Aquatera Group does not engage in unethical business strategies to obtain a market monopoly. Directors and Employees do not slander competitors or their products, improperly seek competitor information or attempt to influence suppliers illegally.

### **Ethical Business Conduct**

Employees and Directors of the Aquatera Group act with honesty and with integrity in all business relationships with competitors, potential business partners, suppliers, customers and government officials. Directors and Employees exercise good business judgement in extending business courtesies and never accept or offer bribes, favours or “kickbacks” for the purpose of securing business transactions. The Aquatera Group will ensure that all payments are necessary, lawful and properly documented.

The Aquatera Group and Employees provide customers with the truthful information about their services and shall not take unfair advantage of anyone, including customers. Taking unfair advantage includes manipulation, concealment, misrepresentation of material facts or any other unfair dealing practices.

### **Compliance with Laws**

The Aquatera Group complies with all the applicable laws, rules and regulations of the various jurisdictions in which it does business. If any Aquatera Group Employee is ever uncertain as to the interpretation or application of a particular law, he or she should seek advice through contacting his or her Manager, the CEO, the COO or the CFO before taking action. The standards of ethical conduct expected by the Aquatera Group may, in some circumstances, be greater than standards demanded to just comply with the law.

### **Accounting or Auditing Issues**

As part of its general compliance with laws, rules and regulations (referred to above), Aquatera Group policy is to comply with all applicable financial reporting and accounting rules and regulations. If any Employee, Officer or other person has concerns or complaints regarding questionable accounting or auditing matters, then the individual will submit those concerns or complaints to the Audit and Risk Committee of the Board of Directors (ARC) which will, (subject to its duties arising under applicable law, regulations and legal proceedings), treat such submissions confidentially.

Such submissions may be directed to the attention of the ARC Chair, or any Director who is a member of the ARC or through Aquatera’s Whistleblower website as provided below. [www.aquaterawhistleblower.confidenceline.net](http://www.aquaterawhistleblower.confidenceline.net)

### **Protecting the Company's Assets**

Employees of the Aquatera Group have a collective responsibility to protect assets from fraud and theft and ensure records are accurate, timely and complete. Financial transactions with are to be recorded in writing. Information is a key asset, Employees are required to safeguard Aquatera Group proprietary and confidential information as well as proprietary and confidential information that has been entrusted to the Aquatera Group by others. Employees are responsible for knowing what information must remain in confidence and for seeking clarification if in doubt.

## **Communications**

It is the Aquatera Group policy that all communications be truthful and transparent in a way that will withstand public scrutiny. Working relationships will be based on candor and openness, weighing responsibilities to all parties according to Aquatera Group Core Values.

## **Health and Safety**

Safety is a Core Value. The Aquatera Group is committed to providing a safe and healthy working environment and protecting the public interest with standards and programs that meet or exceed industry standards and applicable government codes, standards and regulations in all jurisdictions in which it does business.

## **Environment and Sustainable Development**

The Aquatera Group is committed to meeting or surpassing all environmental legislation, regulations, permits and licenses and to continuously improve its environmental performance against defined goals.

## **Social Responsibility**

The Aquatera Group believes that being a good corporate citizen is an important measure of its success as a company. The Aquatera Group gives back to the communities in which it does business by focusing on activities that make a meaningful difference.

## **Living the Commitments**

Aquatera Group Core Values and associated corporate policies apply to all Directors and Employees. Directors and Employees are obligated to have a basic understanding of all the policies and a more detailed understanding of the policies and procedures that directly affect their work. When in doubt about the interpretation or application of a particular policy, Employees should seek assistance from their Manager, the Human Resources Manager, the CEO, Human Resource Committee Chair of the Board of Directors (HRC) or another Director (in the case of a Director) as appropriate.

Aquatera Group Leaders have the additional obligation to lead by example, using their own behaviour as a model for all Employees, and to enforce the policies that enact Core Values by providing education, counselling and a business environment that promotes alignment and adherence. Leaders are obligated to escalate suspected violations of this Policy to their Manager, the Human Resources Manager or the CEO. Leaders are responsible for identifying which policies have application to their staff and recognizing ethical conduct. Leaders are also responsible for gathering feedback and continuously improving policy implementation and compliance.

Employees are required to comply with the Aquatera Group Core Values and the underlying policies and procedures. Anyone who has a concern about what constitutes ethical conduct or whether a certain course of action violates the Aquatera Group Core Values is expected to raise the concern immediately with their Manager, the Human Resources Manager or the CEO. Any actual, possible or suspected violation must be reported immediately. Employees and, in particular, Leaders, are strictly prohibited from taking retribution against anyone for reporting a violation.

Employees are expected to understand and adhere to Aquatera Group Core Values and associated corporate policies including this Code of Conduct Policy. Newly recruited Employees must sign

this acknowledgement when they start work, and on an annual basis, Employees must sign they understand and will adhere to this policy. Any independent third party, such as consultants, agents or independent contractors, retained to do work or represent Aquatera Groups interests may also be asked to acknowledge the Core Values and related corporate policies applicable to their work.

Senior Managers whose conduct or actions may not meet the standards set out in the Core Values must report such failure immediately to the CEO, requesting a waiver and the CEO must report to the ARC. Any determination by the ARC that non-compliance has occurred or that, under the circumstances, a waiver be granted, shall be reported promptly to the Board.

Each Director shall, on at least an annual basis, complete and submit a Conflict of Interest Declaration Form for the GEC and Board's review. The Declaration Form, among other things, asks Directors to disclose directorships and other material interests or relationships that are, or could be perceived to be, an actual or potential conflict of interest with their obligation as a Director, and the mitigating factors or actions that allow them to continue to exercise independent judgement. Any determination by the GEC that a non-compliance has occurred or that, under the circumstances, a waiver be granted, shall be reported promptly to the Board of Directors.

### **Legislative Support - Whistleblower Protection re: Federal or Provincial Law**

Section 425.1 of the Criminal Code creates an offence, punishable by fines and possible imprisonment, where Supervisors, Managers and/or Employers take or threaten to take, disciplinary measures against, demote, terminate or otherwise adversely affect the employment of an Employee where:

- the Employee believes an offence is occurring or has occurred,
- the Employer is actually breaking federal or provincial law, and
- the Employee reports the offence to an appropriate authority such as police officers, regulators or the Crown (internal reporting and reporting to the media are not sufficient).

### **Aquatera Group Whistleblower Policy #419**

The purpose of Whistleblower Policy#419, is to provide all Aquatera Group Employees, Officers, Directors and Third Parties with a confidential and anonymous means for the reporting of any unethical conduct, including breeches of policies and procedures, concerns about accounting practices and internal controls and auditing matters.

### **Professional Codes of Ethics**

Aquatera Group Professionals are also expected to be aware of and to comply with those codes of ethics of professional licensing organizations applicable to them.

### **Policy Review and Approval**

The Board of Directors has the primary responsibility for the approval of this Policy. Unless otherwise determined, this Policy shall be reviewed formally by the Board of Directors every three years and, and as required, will be updated and approved by the Board of Directors.

## ***Appendix***

---

### **Confidential Contact Information:**

Interim Chair of the Board of Directors (Jim Smith): [jsmith@aquatera.ca](mailto:jsmith@aquatera.ca)  
or phone: 780.832.4466

Chair of the Audit and Risk Committee (Dave Urness): [durness@aquatera.ca](mailto:durness@aquatera.ca)  
or phone 780.402.5891

Chair of the Human Resources Committee (Andy Fraser): [afraser@aquatera.ca](mailto:afraser@aquatera.ca)  
or phone 604.290.4771

Chief Executive Officer (Vaughn Bend): [vbend@aquatera.ca](mailto:vbend@aquatera.ca)  
or phone 780.538.0432

Chief Financial Officer (Jeff Pieper): [jpieper@aquatera.ca](mailto:jpieper@aquatera.ca)  
or phone 780.830.5032

Chief Operations Officer (Jeff Johnston): [jjohnston@aquatera.ca](mailto:jjohnston@aquatera.ca)  
or phone 780.832.8820

Human Resources Manager (TBA):  
or phone 780.830.5459

Independent Third Party: [www.aquaterawhistleblower.confidenceline.net](http://www.aquaterawhistleblower.confidenceline.net)  
or phone toll free: 1.800.661.9675

---