

# Code of Business Conduct and Ethics

# **INTRODUCTION**

This Code of Business Conduct and Ethics ("Code") has been adopted by our Board of Directors (the "Board") to summarize the standards of business conduct that must guide our actions. This Code applies to all directors, officers, and employees of ECN Capital Corp. and its subsidiaries ("Corporation").

This Code sets out written standards that are designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Avoidance of conflicts of interest with the interests of the Corporation, including disclosure to an
  appropriate person of any material transaction or relationship that reasonably could be expected to
  give rise to such a conflict;
- Confidentiality of corporate information;
- Protection and proper use of corporate assets and opportunities;
- Compliance with applicable governmental laws, rules and regulations;
- The prompt internal reporting of any violations of the Code to an appropriate person or person identified in the Code;
- Accountability for adherence to the Code; and
- The Corporation's culture of honesty and accountability.

This Code provides guidance to directors, officers and employees of the Corporation, to help them address and resolve ethical issues and provides mechanisms to report unethical conduct.

The Corporation expects all directors, officers and employees to comply with the Code, and the Corporation is committed to taking prompt and consistent action against violations of the Code. Violation of the standards outlined in the Code may be grounds for disciplinary action up to and including termination of employment or other business relationships. Employees, officers and directors who are aware of suspected misconduct, illegal activities, fraud, abuse of the Corporation's assets or violations of the standards outlined in the Code are responsible for reporting such matters.

While covering a wide range of business practices and procedures, this Code cannot and does not cover every issue that may arise or every situation in which ethical decisions must be made, but rather sets forth key guiding principles of business conduct that the Corporation expects of all of its directors, officers and employees. This Code should be read in conjunction with the

Corporation's other corporate policies and procedures, including those related to corporate disclosure and the protection of confidential information. Because rapid changes in our industry and regulatory environment constantly pose new ethical and legal considerations, no set of guidelines should be considered to be the absolute last word under all circumstances.

## **COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

The Corporation is committed to compliance with all laws, rules, and regulations, including laws and regulations applicable to the Corporation's securities and trading in such securities, as well as any rules promulgated by any exchange on which the Corporation's shares are listed.

#### **BASIC OBLIGATIONS**

Under the Corporation's ethical standards, directors, officers and employees share certain responsibilities. It is your responsibility to (a) become familiar with, and conduct Corporation business in compliance with, applicable laws, rules and regulations and this Code; (b) treat all Corporation employees, customers and business partners in an honest and fair manner; (c) avoid situations where your personal interests are, or appear to be, in conflict with the Corporation interests; and (d) safeguard and properly use the Corporation's proprietary and confidential information, assets and resources, as well as those of the Corporation's customers and business partners.

Certain of the Corporation's policies are complemented by specific responsibilities set forth in documents such as the non-solicitation, non-competition and confidentiality agreement you signed with the Corporation, if applicable, the Corporation's Insider Trading Policy, the Corporation's Disclosure Policy and the Corporation's Whistleblowing Policy. Those polices should be separately consulted by the Corporation's directors, officers and employees and are not incorporated by reference into this Code. Please consult with the Chief Financial Officer or the Chair of the Compensation and Corporate Governance Committee for copies of any policies that cannot be accessed through the Corporation's webpage at <a href="https://www.ecncapitalcorp.com">www.ecncapitalcorp.com</a>.

## **RAISING CONCERNS**

If you should learn of a potential or suspected violation of the Code, you have an obligation to promptly report the violation. You may do so orally or in writing and, if preferred, anonymously. You have several options for raising concerns.

- 1. Raise your concerns with your direct report or manager;
- 2. Raise your concerns with the Corporation's Secretary; or
- 3. Raise your concerns with the Compensation and Corporate Governance Committee.

If the issue or concern is related to the internal accounting controls of the Corporation or any accounting or auditing matter, you may report it anonymously to the Audit Committee by completing and forwarding a Whistleblower Form (as appended to the Corporation's Whistleblowing Policy) to our Chief Financial Officer.

## **CONFLICTS OF INTEREST**

All directors, officers and employees have an obligation to act honestly, with integrity and in the best interest of the Corporation. Any situation that presents an actual or potential conflict between a director, officer or employee's personal interests and the interests of the Corporation should be promptly reported in writing to the Chairman of the Board. Any director, officer or employee has a conflict of interest when his or her personal interests, relationships or activities, or those of a member of his or her immediate family, interfere or conflict, or even appear to interfere or conflict, with the Corporation's interests. A conflict of interest can arise when any director, officer or employee takes an action or has a personal interest that may adversely influence his or her objectivity or the exercise of sound, ethical business judgment. Conflicts of interest can also arise when any director, officer or employee, or a member of his or her immediate family, receives improper personal benefits as a result of his or her position at the Corporation. No director, officer or employee should improperly benefit, directly or indirectly, from his or her status as director, officer

or employee of the Corporation, or from any decision or action by the Corporation that he or she is in a position to influence.

By way of example, a conflict of interest may arise if any director, officer or employee:

- Has a material personal interest in a transaction or agreement involving the Corporation;
- Lends to, borrows from, or has a material interest in a competitor, vendor, supplier or customer of the Corporation, or any entity or organization with which the Corporation does business or seeks or expects to do business (other than routine investments in publicly traded companies or borrowing from financial institutions);
- Accepting or giving gifts of more than modest value to or from vendors or clients of the Corporation;
- Knowingly competes with the Corporation or diverts a business opportunity from the Corporation or taking personal advantage of an opportunity in which the Corporation has an interest;
- Serves as an officer, director, employee, consultant or in any management capacity in an entity or
  organization with which the Corporation does business or seeks or expects to do business (other than
  routine business involving immaterial amounts, in which the director, officer or employee has no decisionmaking or other role);
- Knowingly acquires, or seeks to acquire an interest in property (such as real estate, patent rights, securities, or other properties) where the Corporation has, or might have, an interest;
- Personally having an immediate family member or members who have a financial interest in a firm which
  does business with the Corporation;
- Has a material interest in an entity or organization with which the Corporation does business or seeks or expects to do business;
- Having an interest in a transaction involving the Corporation or a customer, business partner, vendor or supplier (not including routine investments in publicly traded companies); or
- Participates in a venture in which the Corporation has expressed an interest.

Directors, officers and employees must not place themselves or remain in a position in which their personal interests conflict with the interests of the Corporation. Directors, officers and employees are expected to use common sense and good judgment in deciding whether a potential conflict of interest may exist. If a director, officer or employee has any doubt about conflicts of interest, they should contact their manager or the Chair of the Compensation and Corporate Governance Committee.

If the Corporation determines that an employee's outside work interferes with performance or the ability to meet the requirements of the Corporation, as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain employed by the Corporation. To protect the interests of both the employees and the Corporation, any such outside work or other activity that involves potential or apparent conflict of interest may be undertaken only after disclosure to the Corporation by the employee and review and approval by management.

A director or an officer of the Corporation shall disclose to the Corporation, in writing or by requesting to have it entered in the minutes of meetings of the Board or of meetings of committees of the Board, the nature and extent of any interest that he or she has in a material contract or material transaction, whether made or proposed, with the Corporation, if the director or officer (a) is a party to the contract or transaction, (b) is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction, or (c) has a material interest in a party to the contract or transaction. In addition, an interested director shall, if requested by any other director, not be present at a meeting while the Board is considering any such material contract and shall not vote on such material contract, unless permitted by law.

Officers and employees are expected to advise and obtain the approval of the Chair of the Board or the Chief Executive Officer prior to joining the board of directors of another corporation or business entity.

# **CONFIDENTIALITY CONCERNING CORPORATION AFFAIRS**

Directors, officers and employees may be exposed to information that is considered "Confidential Information" by the Corporation. "Confidential Information" includes trade secrets, know-how, records, data, plans, strategies, processes, business opportunities and ideas relating to present and contemplated operations, activities, products, services and financial affairs of the Corporation, its customers, its suppliers and/or other employees. Confidential Information is information which is not generally known to the public and is useful or helpful to the Corporation and/or would be useful or helpful to competitors of the Corporation. Common examples include, but are not limited to, such things are marketing plans, new business ideas, financial data, supplier lists, customer lists, capital investment plans, projected sales or earnings, or operating methods. Confidential Information also includes any documents containing any of the foregoing or which may be labelled "confidential" or "proprietary". It is the Corporation's policy that business affairs of the Corporation are confidential and should not be discussed with anyone outside the organization except for information that has, already been made available to the public. The Corporation has adopted a Disclosure Policy which addresses the protection of confidential information and applies to all directors, officers and employees of the Corporation. As a prerequisite and condition of employment, all employees and officers must sign a written agreement confirming this obligation.

## **COMPETITION AND FAIR DEALING**

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, not through unethical or illegal business practices. Information about other companies and organizations, including competitors, must be gathered using appropriate methods. Illegal practices such as trespassing, burglary, misrepresentation, wiretapping and stealing are prohibited.

Each director, officer and employee shall endeavour to deal honestly, fairly, respectfully and ethically with all of the Corporation's security holders, customers, vendors, suppliers, competitors, employees, joint venture partners, creditors, financiers, the financial markets, governments and the general public. In all such dealings, directors, officers and employees shall comply with all applicable laws, rules and regulations and not take any actions that would bring into question the integrity of the Corporation or any of its directors, officers or employees.

All statements, communications and representation made to customers, vendors, suppliers, partners, competitors, governments, the general public and others should be accurate in all material respects and must not be misleading.

In awarding contracts, the Corporation and its employees will objectively consider factors such as the need for the services, total cost, quality and reliability. The Corporation will select its vendors, suppliers and contractors in a non-discriminatory manner based on the quality, price, availability, service, financial standing, delivery and supply of goods and services. Selection of vendors, suppliers and contractors must never be based on personal interests or the interests of family members or friends. Employees should inform their managers (who should report the issue to the Corporation's Secretary or his/her respective delegate), and officers and directors should inform the Corporation's Secretary of any vendor, supplier and contractor relationships that create a conflict of interest (or possible conflict of interest).

The Corporation will only deal with vendors, suppliers and contractors who the Corporation believes comply with applicable legal requirements and the Corporation's standards relating to labour, environment, health and safety, intellectual property rights, improper payments or inducements to public or government officials and prohibitions against child or forced labour.

Confidential Information received from a vendor, supplier or contractor shall be treated as if it were Confidential Information (see "Confidentiality Concerning Corporation Affairs" above). Confidential

Information shall not be disclosed to a vendor or supplier until an appropriate confidentiality agreement has been signed by the vendor or supplier.

Use of the Corporation's name or intellectual property by a supplier or contractor requires approval in writing by the Chief Executive Officer or his/her respective delegate.

#### **INSIDER TRADING**

The Corporation encourages all employees to become shareholders on a long-term investment basis. However, management, employees, members of the Board and others who are in a "special relationship" with the Corporation from time to time, may become aware of corporate developments or plans which may affect the value of the Corporation's shares (inside information) before these developments or plans are made public. Black-out periods occur certain times throughout the year and during this time, all Corporation employees, officers and directors are prohibited from buying or selling the Corporation's securities. In order to avoid civil and criminal insider trading violations, the Corporation has established an Insider Trading Policy which applies to all directors, officers and employees of the Corporation and its subsidiaries.

## **TELECOMMUNICATIONS**

Telecommunications facilities of the Corporation such as telephone, cellular phones, facsimile, internet and email are Corporation property. Use of these facilities imposes certain responsibilities and obligations on all employees, officers and directors. Usage must be ethical and honest with a view to preservation of and due respect for Corporation's intellectual property, security systems, personal privacy, and freedom of others from intimidation, harassment, or unwanted annoyance.

## **DISCLOSURE**

The Corporation is committed to providing timely, consistent and credible dissemination of information, consistent with disclosure requirements under applicable securities laws. The goal of our Disclosure Policy is to raise awareness of the Corporation's approach to disclosure among the board of directors, officers and employees and those authorized to speak on behalf of the Corporation.

The Disclosure Policy extends to all employees and officers of the Corporation, the Board and those authorized to speak on its behalf. It covers disclosures in documents filed with the securities regulators and written statements made in the Corporation's annual and quarterly reports, news releases, letter to shareholders, presentations by senior management, information contained on the Corporation's web site and other electronic communications. It extends to oral statements made in meetings and telephone conversations with members of the investment community (which includes analysts, investors, investment dealers, brokers, investment advisers and investment managers), interviews with the media as well as speeches and conference calls.

# **ACCURACY OF CORPORATION RECORDS**

As a public company, we are required to record and publicly report all internal and external financial records in compliance with Canadian generally accepted accounting principles applicable to publicly accountable enterprises. Therefore, you are responsible for ensuring the accuracy of all books and records within your control and complying with all Corporation policies and internal controls. All Corporation information must be reported accurately, whether in internal personnel, safety, or other records or in information we release to the public or file with government agencies.

# FINANCIAL REPORTING AND DISCLOSURE CONTROLS

As a public corporation, we are required to file periodic and other reports with the applicable governing securities commissions and to make certain public communications. We are required by the applicable governing securities commissions to maintain effective "disclosure controls and procedures" so that financial and non-financial information is reported timely and accurately both to our senior management

and in the filings we make. You are expected, within the scope of your employment duties, to support the effectiveness of our disclosure controls and procedures.

# **CUSTOMERS AND BUSINESS PARTNERS**

We strive to achieve satisfied customers who will be repeat buyers of our products and services and to building mutually advantageous alliances with our business partners.

Our long-term reputation and business viability depend upon our continued maintenance of the high quality of the products and services we provide. We are committed to delivering products that perform as documented and as represented to the customer.

Our policy is to build lasting relationships with our customers and business partners through superior delivery and execution and honest sales and marketing. We will comply with applicable advertising laws and standards, including a commitment that our advertising and marketing will be truthful, non-deceptive and fair and will be backed up with evidence before advertising claims are made. Our policy also prohibits making false or deceptive statements about our competitors and giving or accepting kickbacks, bribes, inappropriate gifts and other matters prohibited under the conflict of interest topic in this Code.

#### **HEALTH AND SAFETY**

The Corporation is committed to making the work environment safe, secure and healthy for its employees and others. The Corporation complies with all applicable laws and regulations relating to safety and health in the workplace. We expect each employee to promote a positive working environment for all. You are expected to consult and comply with all Corporation rules regarding workplace conduct and safety. You should immediately report any unsafe or hazardous conditions or materials, injuries, and accidents connected with our business and any activity that compromises Corporation security to your supervisor. You must not work under the influence of any substances that would impair the safety of others. All threats or acts of physical violence or intimidation are prohibited.

# **RESPECT FOR OUR EMPLOYEES**

The Corporation's employment decisions will be based on reasons related to our business, such as job performance, individual skills and talents, and other business-related factors. The Corporation policy requires adherence to all national, provincial or other local employment laws. In addition to any other requirements of applicable laws in a particular jurisdiction, the Corporation policy prohibits discrimination in any aspect of employment based on race, color, religion, sex, national origin, disability or age, within the meaning of applicable laws.

# **ABUSIVE OR HARASSING CONDUCT PROHIBITED**

The Corporation prohibits abusive or harassing conduct by our employees and officers toward others, such as unwelcome sexual advances, comments based on ethnicity, religion or race, or other non-business, personal comments or conduct that make others uncomfortable in their employment with us. We encourage and expect you to report harassment or other inappropriate conduct as soon as it occurs.

# **PRIVACY**

The Corporation, and companies and individuals authorized by the Corporation, collect and maintain personal information that relates to your employment, including compensation, medical and benefit information. The Corporation follows procedures to protect information wherever it is stored or processed, and access to your personal information is restricted. Your personal information will only be released to outside parties in accordance with the Corporation's policies and applicable legal requirements. Employees, officers and directors who have access to personal information must ensure that personal information is not disclosed in violation of the Corporation's policies or practices.

## **POLICY AGAINST RETALIATION**

The Corporation prohibits any director or employee from retaliating or taking adverse action against anyone for raising in good faith suspected conduct violations or helping to resolve a conduct concern. Any individual who has been found to have engaged in retaliation against a Corporation director, officer or employee for raising, in good faith, a conduct concern or for participating in the investigation of such a concern may be subject to discipline, up to and including termination of employment or other business relationships. If any individual believes that he or she has been subjected to such retaliation, that person is encouraged to report the situation as soon as possible to one of the people detailed in the "Raising Concerns" section above.

## WHISTLEBLOWING POLICY

The Corporation has adopted a Whistleblowing Policy in order to maintain a workplace in which the Corporation can receive, retain and address all complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters. The Whistleblowing Policy sets out the procedure for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing procedures. The Whistleblowing Policy has been established to enable directors, officers and employees of the Corporation, to raise such concerns on a confidential basis, free from discrimination, retaliation or harassment, anonymously or otherwise. The Whistleblowing Policy applies to all directors, officers and employees of the Corporation and is the responsibility of the Audit Committee.

#### **WAIVERS AND AMENDMENTS**

Only the Board may waive application of or amend any provision of this Code. A request for such a waiver should be submitted in writing to: **the Board of Directors**, **Attention**: **Chair of the Compensation and Corporate Governance Committee**, for its consideration. The Corporation will promptly disclose to investors all substantive amendments to the Code, as well as all material waivers of the Code granted to directors or officers in accordance with applicable laws and regulations.

# MORE INFORMATION

If there are any questions regarding any aspect of this Code, please contact the Chair of the Compensation and Corporate Governance Committee.

## **NO RIGHTS CREATED**

This Code is a statement of the fundamental principles and key policies and procedures that govern the conduct of our business. It is not intended to and does not, in any way, constitute an employment contract or an assurance of continued employment or create any rights in any employee, director, client, vendor, supplier, competitor, shareholder or any other person or entity.