


Section 1: Employee Conduct

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|  | Policy: | <i>CODE OF CONDUCT AND BUSINESS ETHICS</i> |
| | Effective: | <i>August - 2019</i> |
| WI²S²E | Version: | 1.1 |
| | Version Change Date: | September 3, 2020 |

CODE OF CONDUCT AND BUSINESS ETHICS POLICY (“the Code”)

Purpose

Opla is committed to operating its business demonstrating the highest regard for integrity and ethical conduct. We firmly believe that establishing a reputation built on honesty, integrity and accountability is key to our success. The Code of Conduct and Business Ethics policy, hereafter referred to as the “Code”, sets forth the general principles of conduct employees are expected to demonstrate in their daily activities. The Code does not supersede the specific policies or procedures addressed in any specific policy statement.

Compliance

The Code reflects Opla’s commitment to a culture of honesty, integrity and accountability and outlines the basic principles and policies with which all employees are expected to comply. At the beginning of the employment relationship, employees will be provided with a copy of the Code. Your cooperation and commitment to uphold these principles is essential to the continued success of our business and our reputation as a good corporate citizen.

It is a condition of employment that employees review the Code and acknowledge by way of signature, that they understand and agree to comply with the expectations therein. Employees whose conduct is found to be in contravention of the Code may be subject to discipline up to and including the termination of employment.

Ethical Decision Making

The Code is intended to serve as a resource for employees, helping to ensure high ethical standards are maintained. Occasionally, employees may be confronted by circumstances not explicitly addressed in the Code. In situations where the proper course of action is not clear, Opla relies on its employees to exercise good judgment. Asking one or more of the following questions may prove helpful in arriving at the right decision:

- Does this comply with company policies and procedures?
- Is this legal?
- Is this an expected part of my job?
- How would others perceive this action?
- Does this affect my judgment to act in the best interest of Opla?

Often, your immediate supervisor can be a helpful resource to turn to for guidance. However, if your supervisor is unable to provide assistance, or if discussion at this level is inappropriate, employees are encouraged to contact the Human Resources department, a member of Opla's senior management team or Board of Directors.

Conflict of Interest

A conflict of interest occurs when an employee's personal interest interferes or appears to interfere with the best interests of Opla. Actual or potential conflicts must be disclosed to a supervisor, a member of senior management, or in some cases the Board of Directors. Each situation is to be evaluated on an individual basis taking into consideration such factors as the parties involved, access to business information, position held, decision making authority, job duties and responsibilities, and potential impact on others.

Use of Employment for Personal Gain

A conflict of interest may exist where an employee or family relation acquires a personal benefit as a result of the employee's position with Opla. Employees, officers and directors are prohibited from using Opla property, information or their position, to influence partners, suppliers, customers, competitors, contractors, consultants, agents or dealers, for personal advantage. This includes drawing on these relationships for the purpose of establishing an outside business interest deemed to be in competition with Opla.

Outside Business or Personal Activities

Employees must not engage in outside business or personal activities that compromise the interests of Opla. This includes ownership or participation in a business venture in competition with Opla, or participation in personal activities that require the employee's time and effort during normal working hours.

Confidentiality

Employees must maintain the confidentiality of information entrusted to them by Opla or that otherwise comes into their possession in the course of their employment, except where disclosure is approved by an authorized representative of Opla, or legally mandated.

Confidential information includes all non-public information that may be of use to competitors, or harmful to Opla, its partners, customers, or suppliers. Confidential information may include technical, financial

and process data, price lists and service contracts, business plans and intentions, employee information and matters of a legal nature.

The obligation to maintain confidentiality continues beyond the current employment period. Former employees must not disclose confidential information they acquired while working at Opla, unless disclosure has been approved by an authorized representative of the company, or legally mandated.

Just as each of us owes an obligation of confidentiality to Opla, we owe that same obligation to our previous employers. Opla aims to compete fairly in the marketplace by providing great service and a superior product. We do not want any of our employees using confidential or proprietary information that they gained while working for a prior employer.

Professionalism and accountability are important characteristics that form part of our overall **W12S2E** values. Employees are asked to please keep this in mind as they go about their daily activities.

Protection and Proper Use of Company Assets

Physical assets of the company include but are not limited to property, equipment, tools and supplies. Non-physical assets include but are not limited to financial or technological data, electronic records, intellectual property, proprietary information not generally known to the public and brand. Employees must take appropriate care to use these assets efficiently and to protect them from undue risk and exposure. Theft, carelessness or waste have a direct impact on Opla's profitability.

Opla assets are to be used for legitimate business purposes unless otherwise approved by management. Limited personal use of some communication and technology resources, including personal computers, telephones, and photocopiers is permitted. These resources are not to be used to support outside business interests or personal activities that require significant use. Opla assets may never be used for illegal purposes.

Fair Dealing

Employees are expected to deal fairly with colleagues, customers, suppliers and competitors. No employee should take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

Compliance with Laws and Regulations

Compliance with both the letter and spirit of all laws and regulations applicable to our business is critical to our reputation and continued success. Employees must respect and obey the laws of the cities, provinces and countries in which we operate and avoid even the appearance of impropriety. Employees who fail to comply with applicable laws and regulations are subject to discipline, up to and including termination of employment.

Compliance with the Competition Act

Opla believes in fair and open competition and adheres strictly to the requirements of the *Competition Act* (the "Act"). The Act is a federal law that governs the conduct of business in Canada. The Act deals with two types of matters: criminal offences and reviewable matters.

Criminal Offences

The following are examples of the criminal offences set out in the Act, each punishable by fine and/or imprisonment:

Conspiracy. It is unlawful to enter into an agreement, whether written or oral, with a competitor, supplier, customer or other person and engage in conduct that is intended to prevent or lessen competition unduly. Some common types of "unlawful" agreements include agreements to fix prices; agreements to restrict output in an attempt to unreasonably increase price; agreements to withhold necessary facilities, materials, equipment or supplies from other competitors, and agreements to allocate customers or territories.

Bid-Rigging. Bid-rigging arises where persons who are invited to tender for a contract secretly agree in advance to the terms and conditions under which they will bid.

Price Discrimination. Price discrimination occurs where a seller charges different prices for the same quality and quantity of an article to buyers who compete against one another without a justification, or charges different prices for the same article or service in different geographical areas that is designed for, or which has the effect of, substantially lessening competition or eliminating a competitor from the market.

Price Maintenance. Price maintenance occurs where a seller attempts, by threat, promise or agreement, to influence upward or to discourage the reduction of the price at which another person supplies or offers the product.

Predatory Pricing. Predatory pricing is the practice of selling products at prices that are unreasonably low that is designed for, or has the effect of, substantially lessening competition or eliminating a competitor from the market.

False or Misleading Representations. It is an offense to knowingly or recklessly make a representation to the public that is false or misleading in any material respect for the purpose of promoting a product, service or business interest.

Reviewable Matters

Many reviewable matters practices reflect common business activity and are considered legal until they become the subject of an order of the Competition Tribunal prohibiting the practice. In certain cases, the practices are pro-competitive or neutral while in others the practices are anti-competitive. The key factor to be analyzed is whether certain conduct has the effect of substantially lessening competition. The

greater the market power a company has, the greater the likelihood that the business practices of that company will impact its competitive environment. The following are examples of reviewable matters:

Abuse of Dominant Position. Abuse of dominant position occurs when a firm that is dominant in the market engages in the practice of anti-competitive conduct which has the effect of substantially lessening competition. Anti-competitive conduct is generally designed to exclude or discipline a competitor, supplier or customer and could include such conduct as: (a) the pre-emption of scarce facilities or resources required by a competitor; (b) requiring or inducing a supplier to sell only or primarily to certain customers or to refrain from selling to a competitor with the object of preventing a competitor's entry or expansion into a market; or (c) selling products at a price lower than acquisition cost for the purpose of disciplining a competitor.

Exclusive Dealing. Exclusive dealing occurs when a supplier requires or induces a customer to buy products primarily from him or prevents the customer from dealing in a competitor's product. It is not permissible when it is engaged in by a major supplier or is widespread in the market, and has, or is likely to have, the effect of substantially lessening competition in that market.

Refusal to Deal. Refusal to deal arises when: (a) a supplier refuses to supply a product (which is in ample supply) to a customer who is ready, willing and able to meet the supplier's usual trade terms; (b) the customer is seriously affected or prevented from carrying on business because he cannot obtain adequate supplies of the product; and (c) the refusal to deal is having or is likely to have an adverse effect on competition in the market.

Tied Selling. Tied selling occurs when a supplier requires or induces a customer to purchase another product as a condition of supplying the desired product to the customer. It is not permissible when it is engaged in by a major supplier or is widespread in the market and has, or is likely to have, the effect of substantially lessening competition in that market.

Market Restrictions. Market restrictions occur when a supplier, as a condition of supplying a product to a customer, requires that customer to supply the product only in a defined market or extracts a penalty from the customer if the customer sells the product outside of the defined market. It is not permissible when it is engaged in by a major supplier or is widespread in the market and has, or is likely to have, the effect of substantially lessening competition in that market.

We note below some general rules for employees of the Company:

Employees shall not:

- Exchange or discuss prices, terms or conditions relating to the sale of services, marketing practices, product distribution channels, customers or any other competitive information; unless it directly relates to the sales, contracting or marketing process;
- Enter into any understanding, agreement, plan or scheme, express or implied, formal or informal, with any competitor in regard to prices, terms or conditions relating to the sale of services, production, distribution, marketing or customers;
- Discuss with other suppliers whether or not to solicit a particular customer;

- Comply with a request by a supplier, customer or competitor to take action that may be harmful to another supplier, customer or competitor;
- Obtain non-public information about a competitor directly from that competitor;
- Make false or misleading representations about the Company's products and services;
- Alter or destroy any documents which may be the subject of an investigation by the Commissioner of Competition; or
- Knowingly engage in any conduct which violates or could violate the Act.

Employees shall:

- Seek clarification from senior management regarding any situation that may present a contravention of the Act;
- Inform any party attempting to initiate an inappropriate conversation that you cannot participate in the conversation and that Opla strictly complies with the Act;
- Not participate in any conversation with any party that insists on discussing matters that may contravene the Act;
- Immediately report to senior management any known or suspected violations of the Act or any requests or incidents to agree on prices, allocate customers, allocate territories, refusals to supply customers, etc.; and
- Obtain information about competitors from public sources, such as trade publications, government reports and documents published

Employees who fail to comply with the Competition Act compliance policy or engage in activities which violate the Competition Act are subject to discipline up to and including the termination of employment.

Compliance with Environmental Laws

Opla is sensitive to the environmental, health and safety consequences of its operations. Accordingly, we strive to be in compliance with all applicable federal and provincial environmental laws and regulations. If an employee has any doubt as to the applicability or meaning of a particular environmental, health or safety regulation, he or she should discuss the matter with their supervisor, the Quality, Health, Safety and Environment Manager, or a member of Opla's senior management.

Accuracy of Company Records and Reporting

Honest and accurate recording and reporting of information is critical to our ability to make responsible business decisions. The Company's accounting records are relied upon to produce reports for the Company's management, shareholders, creditors, governmental agencies and others. Our financial statements and the books and records on which they are based must accurately reflect all company transactions and conform to all legal and accounting requirements and our system of internal controls.

All employees have a responsibility to ensure that Opla's accounting records do not contain false or intentionally misleading entries. All transactions must be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period.

Business records and communications may become public through legal or regulatory investigations or the media. We should avoid exaggeration, derogatory remarks, legal conclusions or inappropriate characterizations of people and companies. This applies to all forms of communication, including email and informal notes or interoffice memos. Records should be retained and destroyed in accordance with Opla's records retention policy.

Political Activities and Contributions

We respect and support the right of our employees to participate in political activities. However, these activities should not be conducted on the Company's time or involve the use of any of the Company's resources. Employees will not be reimbursed for personal political contributions.

We may occasionally express our views on local and national issues that affect our operations. In such cases, the Company's funds and resources may be used, but only when permitted by law and by our strict company guidelines. The Company may also make limited contributions to political parties or candidates in jurisdictions where it is legal and customary to do so. The Company may pay related administrative and solicitation costs for political action committees formed in accordance with applicable laws and regulations. No employee may make or commit to political contributions on behalf of the Company without the approval of the Chief Executive Officer or Chief Financial Officer.

Business Gifts and Entertainment

Business gifts and entertainment are customary courtesies designed to build goodwill among business partners. These courtesies include such things as meals and beverages, tickets to sporting or cultural events, travel, accommodation and other merchandise or services. In some cultures, they play an important role in the business relationship. However, a problem may arise when such courtesies compromise -or appear to compromise -our ability to make objective and fair business decisions.

Offering or receiving any gift, gratuity or entertainment that might be perceived to unfairly influence a business relationship should be avoided. These guidelines apply at all times, and do not change during traditional gift-giving seasons.

The value of gifts should be nominal both with respect to frequency and amount. **Gifts should not exceed a value of \$300.** Gifts that are repetitive may be perceived as an attempt to create an obligation to the giver and are therefore inappropriate. Likewise, business entertainment should be moderately scaled and intended only to facilitate business goals. Use good judgment. If you are having difficulty determining whether a specific gift or entertainment item lies within the bounds of acceptable business practice, ask yourself these guiding questions:

- Is it legal?
- Is it clearly business related?
- Is it moderate, reasonable, and in good taste?
- Would public disclosure embarrass Opla?
- Is there any pressure to reciprocate or grant special favors?

Strict rules apply when conducting business with government agencies and officials. Due to the sensitive nature of these relationships, consultation with the Chief Executive Officer or the Chief Financial Officer is required prior to offering gifts or hospitality to government employees.

Payments to Domestic and Foreign Officials

Employees must comply with all laws prohibiting improper payments to domestic and foreign officials.

In Canada, the *Corruption of Foreign Public Officials Act* (the "Act") provides that every person commits an offence who, in order to obtain or retain an advantage in the course of business, directly or indirectly gives, offers or agrees to give or offer a loan, reward, advantage or benefit of any kind to a foreign public official or to any person for the benefit of a foreign public official as consideration for an act or omission by the official in connection with the performance of the official's duties or functions, or to induce the official to use his or her position to influence any acts or decisions of the foreign state or public international organization for which the official performs duties or functions.

Certain types of "facilitation" payments may not be illegal; however, it is Opla's policy is to avoid such payments. If any employee finds that adherence to this policy would cause a substantial, adverse effect on operations, that fact should be reported to the Company's senior management which will determine whether an exception may lawfully be authorized. If the facilitating payment is made, such payment must be properly entered and identified on the books of the Company and all appropriate disclosures made.

Reporting of Illegal or Unethical Behavior

Opla is committed to conducting its business in a lawful and ethical manner. Employees should report any concerns they may have regarding the knowledge of illegal or unethical conduct. Concerns may be reported to your immediate supervisor, the Human Resources department, senior management or the Board of Directors. Additionally, Opla provides employees with the opportunity to report their concerns anonymously by telephone or electronically through the internet. For more information on anonymous reporting, employees should refer to Opla's Whistleblower policy.

Waivers of the Code of Business Conduct and Ethics

Any waiver of this Code for executive officers or directors will be made only by the Board of Directors or a committee of the Board of Directors and will be promptly disclosed as required by law or stock exchange regulation.