



## **FILAMENT HEALTH CORP.**

### **CODE OF BUSINESS CONDUCT AND ETHICS**

Filament Health Corp. (together with its subsidiaries, the “**Corporation**”) is committed to upholding high standards of ethical conduct in all of its activities. This means that the Corporation and its representatives are required to conduct business consistent with the core values of honesty, integrity, fairness, respect and responsibility, as well as obey all applicable laws and regulations in work-related matters.

#### **1. Purpose**

This Code of Business Conduct and Ethics (“**Code of Business Conduct and Ethics**”) establishes a baseline standard of conduct for all Corporation officers, directors, employees and consultants.

#### **2. Application of Code of Business Conduct and Ethics**

This Code of Business Conduct and Ethics is intended to apply to all Corporation officers, directors, employees, and consultants. It should be read in conjunction with other Corporation policies. To the extent that there is an inconsistency, this Code of Business Conduct and Ethics should be considered the governing policy.

#### **3. Conduct and Obligations**

The fundamental relationship between you and the Corporation must be one of trust; essential to trust is a commitment to honesty and integrity. Ethical conduct within this relationship imposes certain obligations.

##### *(a) Compliance with Laws and Regulations*

You must comply with all laws, rules, regulations and policies that are applicable to the Corporation as it relates to your work for the Corporation. You should educate yourself on the laws, rules, regulations and policies that govern your work, and where necessary, seek advice from your supervisors, managers, or other appropriate individuals at the Corporation.

You must not only comply fully with the law, but must also avoid any situation which could be perceived as improper or indicate a casual attitude towards compliance.

##### *(b) Duty of Fidelity and Loyalty*

As an employee of the Corporation, you owe a duty of fidelity and loyalty, which includes an obligation to refrain from making public comments about the Corporation, management, coworkers, or members of the public using our services that have the potential to damage the reputation or negatively impact on the business of the Corporation. Public comments which are

defamatory, derogatory or offensive strike at the heart of the trust relationship between employer and employee and may attract discipline up to and including dismissal.

The duty of fidelity and loyalty also requires that you deal honestly in your relationships with management, fellow employees, customers, suppliers and government regulators.

(c) *Conflict of Interest*

All employees, consultants, officers and directors have an obligation to act in the best interests of the Corporation. No individual will have any personal interest, direct or indirect, in anything which would conflict in any manner with their responsibilities to the Corporation, nor will they engage in activities which are, or may be, against the best interest of the Corporation.

A conflict of interest will exist where an individual's activities outside of work, or interests or financial affairs may influence or threaten to influence their judgment in the performance of their duties to the Corporation. Where such a situation occurs, individuals are responsible for fully disclosing this to management and, where appropriate, taking action to remedy the conflict of interest.

(i) Employment/Outside Employment

You are prohibited from engaging in any activity that interferes with your performance or responsibilities to the Corporation or is otherwise in conflict with or prejudicial to the Corporation. This Code of Business Conduct and Ethics prohibits any employee, consultant, officer or director from accepting simultaneous employment with a Corporation supplier, customer, or competitor, or from taking part in any activity that enhances or supports a competitor's position. Additionally, you must disclose to the Corporation any interest that you have that may conflict with the business of the Corporation. If you have any questions on this requirement, you should contact the Corporation's Secretary.

(ii) Outside Directorships

It is a conflict of interest to serve as a director of any company that competes with the Corporation. Although you may serve as a director of a Corporation supplier, customer, or other business partner, this Code of Business Conduct and Ethics requires that such position not conflict or otherwise interfere with your duties to the Corporation and that you first obtain written approval from the Corporation's CEO, before accepting a directorship.

(iii) Business Interests

If you are considering investing in a Corporation customer, supplier, or competitor, you must first take great care to ensure that these investments do not compromise your responsibilities to the Corporation. Many factors should be considered in determining whether a conflict exists, including the size and nature of the investment; your ability to influence the Corporation's decisions; your access to confidential information of the Corporation or of the other company; and the nature of the relationship between the

Corporation and the other company. You should generally try to avoid even the appearance of impropriety or conflict.

(iv) Related Party Transactions

As an absolute rule, you should avoid conducting Corporation business with a relative or significant other, or with a business in which a relative or significant other is associated in any significant role. Relatives include a spouse, sister, brother, daughter, son, mother, father, grandparents, aunts, uncles, nieces, nephews, cousins, step relationships, and in laws. Significant others include persons living in a spousal or familial fashion with an employee, consultant, officer or director.

(v) Other Situations

Since there are many ways in which a conflict of interest may arise, it would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts in your mind you should consult the Corporation's Secretary. If you are aware of a conflict or potential conflict of interest, as employee, consultant, officer or director, you should bring the matter to the attention of a supervisor or manager. If you are aware of a conflict or potential conflict as an officer or director, you should promptly bring the matter to the Corporation's Board of Directors, the Chairman of the Board or the Chair of the Corporate Governance and Nominating Committee.

(d) *Confidential Information*

Without limiting the terms of any written agreement between you and the Corporation, all confidential information of the Corporation will be held in strict confidence and will not, directly or indirectly, be communicated or disclosed to any person, firm or company, other than to qualified employees of the Corporation, or when disclosure is authorized by the Corporation or legally mandated.

For the purpose of this Code of Business Conduct and Ethics, "**confidential information**" means all information that a reasonable person would understand is confidential and includes, but is not limited to, any non-public information concerning the Corporation, including its business, financial performance, results or prospects, any non-public information provided by a third party, intellectual property of the Corporation, personnel information, trade secrets, and information relating to customers.

It is the responsibility of each individual to be certain that information disclosed is not in violation of this Code of Business Conduct and Ethics or of any privacy policy or legislation. In the event of a question arising as to whether information is confidential, the individual should enquire with management. Individuals must also not discuss confidential information with or in the presence of any unauthorized persons, including family members and friends.

The obligation to keep information confidential also extends beyond your employment or directorship with the Corporation.

*(e) Corporate Opportunities*

Employees, consultants, officers and directors are prohibited from taking for themselves, personally or for the benefit of others, opportunities that are discovered through the use of Corporation property, information or position, except to the extent that a waiver has been granted under Section 8 of this Code of Business Conduct and Ethics. No employee, consultant, officer or director may use Corporation property, information, or position for improper personal gain or for the improper personal gain of others, and no employee, consultant, officer or director may compete with the Corporation directly or indirectly. Employees, consultants, officers and directors owe a duty to the Corporation to advance the Corporation's interests when the opportunity to do so arises.

*(f) Fair Dealings*

Each employee, consultant, officer and director should endeavor to deal fairly with the Corporation's customers, suppliers, competitors and employees. No individual should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of facts or any other unfair or unlawful dealing practice.

*(g) Gifts and Other Benefits*

Employees are expected to take action and make decisions based on an impartial and objective assessment of each situation, free from the influence of gifts and similar favours that might compromise judgment.

Employees will avoid accepting or giving any gift or favour that may give the appearance of undue influence, regardless of whether they think the gift or favour can or will affect their judgment or that of the recipient. A "gift" or "favour" includes a gratuitous service, loans, discount, valuable privileges, vacations, trips without a business purpose, money or article of value, from any person or business organization that does business with or is a competitor of the Corporation, except as provided below.

No employee can accept anything of value in exchange for referral of third parties to any such person or business organization.

The following guidelines should be followed with respect to gifts and other benefits:

- (i) Employees may accept gifts and entertainment usually associated with accepted business practices for themselves and members of their families if:
  - (A) they are infrequent;
  - (B) they legitimately serve a definite business purpose;
  - (C) they are appropriate to the business responsibilities of the individuals involved;

- (D) they are within the limits of reciprocation as a normal business expense;
- (ii) Employees should neither give nor receive gifts with more than a nominal value. Employees must inform their immediate supervisor or manager of gifts and entertainment received within a reasonable period not exceeding one (1) month from receipt.
- (iii) It is never permissible to accept a gift in cash or cash equivalents (i.e. stocks or other form of marketable securities) of any amount.

*(h) Gifts, Favours, Entertainment and Payments Given By The Corporation*

Gifts, favours, and entertainment may be given to others at the Corporation's expense only if they meet all of the following criteria:

- (i) they are consistent with accepted business practices;
- (ii) they are of sufficiently limited value, and in a form that could not be construed as a bribe or payoff;
- (iii) they are not in violation of applicable laws and generally accepted ethical standards; and
- (iv) public disclosure of the facts will not embarrass or cause harm to the Corporation.

*(i) Integrity of Records and Sound Accounting Practices*

Accuracy and reliability in the preparation of all business records is of critical importance to the decision-making process and to the proper discharge of financial, legal and reporting obligations. All business records, expense accounts, invoices, bills, payroll and employee records and other reports are to be prepared with care and honesty.

*(j) Use of Corporation Resources and Assets*

Individuals are required to care for and safeguard all resources of the Corporation and have a responsibility to protect the Corporation's assets against loss, theft, abuse and unauthorized use or disposal. The Corporation's "assets" refers to all property, whether tangible, intangible or electronic in form, which includes the Corporation's products, equipment, vehicles, trading and bank accounts, the Corporation's reputation, trademarks and name, as well as computers and software. The Corporation's telephone, email, voicemail and other electronic systems are primarily for business purposes. Personal communications should be kept to a minimum.

*(k) Media*

No individual will, on behalf of the Corporation, communicate with or offer opinions to the media regarding the Corporation's business, policies, etc., unless specifically authorized to do so in advance by the Corporation.

#### **4. Bullying, Harassment, and Discrimination**

The Corporation is committed to fair employment practices in which all individuals are treated with dignity and respect. The Corporation will not tolerate any type of illegal bullying, discrimination or harassment. The Corporation expects that all relationships among persons in the workplace will be professional and free of bias, bullying, and harassment. The Corporation's employees, consultants, officers and directors are entitled to work in an environment free from harassment and hostile or offensive behavior.

#### **5. Environmental, Safety and Occupational Health Practices**

The Corporation believes that sound environmental, safety and occupational health management practices are in the best interests of the Corporation, its employees, consultants, officer, directors and its shareholders and the communities in which it operates. The Corporation is committed to conducting its business in accordance with recognized industry standards and to meeting or exceeding all applicable environmental and occupational health and safety laws and regulations. Achieving this goal is the responsibility of all employees, consultants, officers and directors.

In addition, managers are responsible for ensuring that employees are trained in safe work practices and that employees have been adequately oriented to ensure the safe performance of their work. Additionally, managers are responsible for taking timely action to address workplace health and safety issues.

#### **6. Reporting**

Anyone with a good faith belief that wrongdoing or inappropriate behaviour has occurred, is occurring or will occur in breach of this Code of Business Conduct and Ethics is required to report this to the CEO. While this can be done on either a confidential or anonymous basis, individuals are encouraged to provide their name in confidence when doing so to permit for follow-up questions and clarification of a concern if necessary.

In addition, investigation of a complaint may not be possible unless an individual identifies himself or herself. Although efforts will be made to investigate anonymous reports, consideration must be given to the seriousness of the issue raised, the credibility of the concern, and the ability of management to attribute the source of the report.

Information provided to management pursuant to the Code of Business Conduct and Ethics will be used by it to make initial inquiries. From initial inquiries, a decision will be made as to how best to deal with the report or complaint. All serious allegations will be thoroughly investigated.

#### **7. Retaliation**

Retaliation of any kind against a person for making a disclosure in good faith or for assisting in an investigation is prohibited. Retaliation includes, but is not limited to, the imposition or threat of discipline or penalty, the imposition or threat of harassing or discriminatory actions or any other kind of threat or behaviour that a reasonable person, fully informed, would view as retaliatory action. At the same time, any person found to have made a false or malicious report

or knowingly provided false or misleading information during an investigation will be subject to disciplinary measures up to and including termination of employment.

## **8. Waivers of the Code**

From time to time, the Corporation may waive certain provisions of this Code of Business Conduct and Ethics. Waivers generally may only be granted by the CEO. However any waiver of the provisions of this Code of Business Conduct and Ethics for officers or directors, including the President, CEO and CFO may be made only by the Corporation's Board of Directors or a Committee of the Board and will be disclosed to shareholders as required by applicable rules and regulations.

## **9. Consequences**

Where it is determined that a breach of the Code of Business Conduct and Ethics has occurred, appropriate action will be taken, including disciplinary action up to and including termination of employment, or in the case of consultants or contractors, the termination of the individual's contract with the Corporation. However, individuals should also be aware that potential personal liability does not end with the Corporation. Depending on the circumstances, an individual may also face civil or criminal charges and penalties.

## **10. Review**

All employees of the Corporation are required to sign a Code of Business Conduct and Ethics. The each executive officer is required to sign a Code of Business Conduct and Ethics on an annual basis. All new employees joining the Corporation shall receive and sign the Code of Business Conduct and Ethics as part of the new hiring process. A copy of the signed Code of Business Conduct and Ethics should be kept in the individual's personnel file.

## **11. Questions**

Please direct any questions you may have about this Code of Business Conduct and Ethics to the Corporation's Secretary: [jon@filament.health](mailto:jon@filament.health).

This Code of Business Conduct and Ethics was initially adopted and approved by the Board of Directors effective June 24, 2021.



## **CODE OF BUSINESS CONDUCT AND ETHICS - ACKNOWLEDGEMENT FORM**

By signing this form, I acknowledge that I have read and understand the principles and standards of conduct contained in this Code of Business Conduct and Ethics. I adhere to and comply with such principles and standards, and will continue to do so.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_