



Anti Bribery Policy

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I. PURPOSE

The purpose of this Anti-Bribery and Anti-Corruption Policy (the “**Policy**”) is to establish controls to ensure H₂O Innovation Inc. and its subsidiaries’ (collectively “**H₂O Innovation**” or the “**Corporation**”) compliance with all applicable anti-bribery and corruption laws and regulations, and to ensure that the Corporation’s business is conducted in a socially responsible manner.

That commitment is reflected in our Code of Business Conduct and Ethics, in the Procurement Code of Conduct and in this Policy, which are intended to provide guidance and procedures for compliance notably with Canada's Corruption of Foreign Public Officials Act, US Foreign Corrupt Practices Act, UK Bribery Act and other applicable laws pertaining to bribery and corruption (collectively “**Applicable Laws**”).

II. POLICY STATEMENT

H₂O Innovation is committed to conducting its business in an honest and ethical manner. We take a zero- tolerance approach to bribery and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery and corruption. We will uphold to all Applicable Laws in the jurisdictions in which we operate.

This Policy outlines H₂O Innovation’s position on preventing and prohibiting bribery and corruption. H₂O Innovation will not tolerate any form of bribery by, or of, its Representatives or Associated Persons (as defined below).

III. SCOPE

This Policy applies to all employees (whether temporary, fixed-term, or permanent), officers, managers and directors of the Corporation (“**Representatives**”), and to consultants, contractors, agents, trainees, agency staff, interns, sponsors or any other persons associated with the Corporation no matter where they are located, acting for, or on behalf of, the Corporation (“**Associated Persons**”).

Every Representative and Associated Person acting for, or on behalf of, the Corporation is responsible for maintaining the highest standards of business conduct. Any breach of this Policy is likely to constitute a serious disciplinary, contractual and criminal matter for the individual concerned and may cause serious damage to the reputation and standing of the Corporation. The Corporation may also face criminal liability for unlawful actions taken by its Representatives or Associated Persons under Applicable Laws.

All Representatives and Associated Persons are required to familiarize themselves and comply with this Policy, including any future updates that may be issued from time to time by the Corporation.

IV. WHAT IS BRIBERY AND CORRUPTION?

Corruption is the misuse of power by government officials or other parties for illegitimate private gain. Bribery refers to the act of offering, giving, promising, asking, agreeing, receiving, accepting, or soliciting something of value or of an advantage so to induce or influence an action or decision.

Representatives and Associated Persons are prohibited from offering, paying, promising or authorizing any bribe to anyone, including but not limited to government officials, non-government organizations, union officials, indigenous peoples, suppliers, off-takers or community leaders, whether directly or indirectly.

Bribery is illegal. Offers or agreements to pay a bribe are sufficient to constitute a violation of Applicable Laws, even if the bribe is not accepted, it is never actually received, or the objective of the bribe is not achieved. There is no minimum value and even things of modest value can trigger a violation.

Representatives and Associated Persons must not engage in any form of bribery, whether it be directly or through a third party. This prohibition also applies to indirect contributions, payments or gifts made in any manner as an inducement or reward for improper performance, for example through consultants, contractors, sub-contractors, agents, sub-agents, sponsors, joint-venture partners, advisors, customers, suppliers or other third parties. They must not accept bribes in any degree and if they are uncertain about whether something is a bribe or a gift or act of hospitality, they must seek further advice from the Corporation's Vice President Corporate and Legal Affairs.

Who are Government Officials?

Government officials include any appointed, elected, or honorary official or any representative of a government, of a government-owned or controlled company, or of a public international organization. The definition encompasses officials in all branches and at all levels of government: federal, state or local, as well as aboriginal and tribal communities. A person does not cease to be a government official by purporting to act in a private capacity, or because they serve without compensation.

If you are not sure whether a person is a government official, please contact the Corporation's Vice President Corporate and Legal Affairs for further guidance. Because benefits to close relatives, including spouses, children, parents or siblings, of a government official may be deemed by enforcement authorities as indirect benefits to a government official, any gift or entertainment provided to a close relative of a government official must comply with the requirements of this Policy. You must also consult with the Corporation's Vice President Corporate and Legal Affairs before entering into any contract or transaction with a close relative of a government official or a company owned or controlled by a close relative of a government official.

V. WHAT IS NOT ACCEPTABLE?

1. Facilitation Payments and Kickbacks

The Corporation prohibits its Representatives or Associated Persons from making or accepting any facilitation payments. These payments are a form of bribery made to government officials for carrying out or speeding up routine procedures. Facilitation payments are distinct from an official, publicly available fast-track process.

H₂O Innovation does not allow kickbacks to be made or accepted. We recognise that kickbacks are typically made in exchange for a business favour or advantage.

Where a government official has requested a payment, Representatives or Associated Persons should ask for further details on the purpose and nature of the payment in writing. If the government official refuses to do so, this should be reported immediately to the Corporation's Vice President Corporate and Legal Affairs. Alternatively, if the government official provides written details, this should be referred to the Corporation's Director of Legal and Corporate Affairs for consideration regarding the legitimacy of the request, and the Corporation will act appropriately.

2. Corporate Entertainment, Gifts, Hospitality and Promotional Expenditure

The Corporation permits corporate entertainment, gifts, hospitality and promotional expenditure that is undertaken:

- a) for the purpose of establishing or maintaining good business relationships;
- b) to improve the image and reputation of the Corporation; or
- c) to present the Corporation's goods and services effectively; provided that it is:
 - i. arranged in good faith, and
 - ii. not offered, promised or accepted to secure an advantage for the Corporation or any of its Representatives or Associated Persons or to influence the impartiality of the recipient.

The Corporation will only authorize reasonable, appropriate and proportionate entertainment and promotional expenditure in line with the above guidelines. Representatives and Associated Persons should submit requests for proposed hospitality and promotional expenditure well in advance of proposed dates to their Business Line Manager to gain authorization for such expenditure in accordance with the Corporation Delegation of Authority Policy ("**DOA**"). The Corporation will approve business entertainment proposals only if they demonstrate a clear business objective and are appropriate for the nature of the business relationship.

Any gifts, rewards or entertainment received from clients, public officials, suppliers or other business contacts must be reported immediately to the Business Line Manager. In certain circumstances, it may not be appropriate to retain such gifts and Representatives and Associated Persons may be asked to return the gifts to the sender, for example, where there could be a real or perceived conflict of interest. As a general rule, the Corporation accepts normal and appropriate gesture of hospitality and goodwill (whether given to or received from third parties), so long as the giving or receiving of gifts meets the following requirements:

- a) It is not given or received with the intent to improperly influence the recipient, to obtain or reward the retention of business or a business advantage, or as an explicit or implicit exchange for favours or benefits;
- b) It is not given or received with any expectation of a return favour;
- c) It complies with applicable local laws and regulations;
- d) It is given in the name of the Corporation, not in an individual's name;
- e) It is appropriate in the circumstances (e.g., modest seasonal or customary gifts);

- f) It is reasonable in type and value and appropriate in timing, taking into account the purpose of the gift or hospitality;
- g) It is given and received openly and transparently, and not in secret;
- h) It is not selectively provided to a key or influential individual for the purpose of exerting improper influence;
- i) It does not exceed a reasonable value and, in any event, is not of excessive value (generally in excess of USD \$100); and
- j) It is not offered to, or accepted from, any government official, public official, political party, or political representative without the prior written approval of the Chief Financial Officer (“CFO”).

If a Representative or Associated Person wishes to provide gifts to suppliers, clients or other business contacts, prior written approval from the Business Line Manager is required, together with details of the intended recipients, reasons for the gift and business objective. These will only be authorized in limited circumstances and in accordance with the DOA. Where promotional expenditure has been authorized, Representatives and, where applicable, Associated Persons must supply records and receipts.

H₂O Innovation recognizes that practices relating to the giving and receiving of business gifts vary across countries, regions, and cultures, and that standards of what is considered acceptable may differ accordingly. Notwithstanding these differences, as a matter of good practice, all gifts given or received in the course of business should be disclosed to the relevant Business Line Manager, and any gifts received from suppliers must always be disclosed.

The intent underlying any gift or hospitality offered or received must be carefully considered in all circumstances. Where there is any doubt as to the appropriateness of a gift or hospitality, guidance should be sought from the Vice President Corporate and Legal Affairs prior to accepting or providing it.

3. Charitable and Political Donations

Donations to political parties are generally to be avoided. They may, however, be authorized only if they are also permitted under applicable local law. To ensure that we do not breach the applicable law regarding political donations in any state/province or country, all political donations, no matter how small or insignificant, made on behalf of the Corporation (directly or indirectly) must be approved in advance by the CFO.

From time to time the Corporation may make donations to charities with the prior approval of the CFO or the Chief Executive Officer (“CEO”). All charitable contributions by or on behalf of the Corporation must be accounted for with supporting documentation, including a receipt or written acknowledgment of the donation from the recipient.

VI. RISK MANAGEMENT

The Corporation will conduct risk assessments for each of its key business activities on a regular basis and, where relevant, will identify Representatives or Associated Persons of the Corporation who are in positions where they may be exposed to bribery. The Corporation will identify and

monitor high risk areas, for example projects undertaken in high-risk countries, tenders for work and those working in high-value projects.

The Corporation will communicate its zero-tolerance approach to bribery to third parties, including actual and prospective customers, suppliers and partners.

Corporation Records

Representatives and, where applicable, Associated Persons, are required to take particular care to ensure that all Corporation records are accurately maintained in relation to any contract or business activity, including financial invoices and all payment transactions with clients, suppliers and public officials.

Due diligence should be undertaken by Representatives and Associated Persons prior to entering into any contract, arrangement or relationship with a potential supplier of services, agent, consultant or representative and should be carried out in accordance with internal Corporation procedures. Representatives and associated persons are required to keep accurate, detailed and up-to-date records of all corporate hospitality, entertainment or gifts accepted or offered.

VII. REPORTING SUSPECTED BRIBERY

The Corporation depends on its Representatives and Associated Persons to ensure that the highest standards of ethical conduct are maintained in all its business dealings. Representatives and Associated Persons are requested to assist the Corporation and to remain vigilant in preventing, detecting and reporting bribery.

Representatives and Associated Persons are encouraged to report any concerns that they may have to the CFO of the Corporation at the earliest possible opportunity. Issues that should be reported include (this list is not exhaustive):

- a) any suspected or actual attempts at bribery;
- b) concerns that other Representatives or Associated Persons may be being bribed; or
- c) concerns that other Representatives or Associated Persons may be bribing third parties, such as clients or government officials.
- d) close family, personal or business ties that a prospective agent, representative or joint-venture partner may have with government or corporate officials, directors or Representatives;
- e) a history of corruption in the country in which the business is being undertaken;
- f) requests for cash payments;
- g) requests for unusual payment arrangements, for example via a third party;
- h) requests for reimbursements of unsubstantiated or unusual expenses; or
- i) a lack of standard invoices and proper financial practices.

If a Representative or Associated Person is uncertain whether a proposed act or arrangement may constitute bribery or improper conduct, the matter must be promptly escalated to the applicable Business Line Manager and the CFO, or reported in accordance with the Whistleblower

Policy, including by submitting a report to whistleblower@h2oinnovation.com or through any other reporting channels provided for under the Whistleblower Policy.

Any such reports will be thoroughly and promptly investigated by the Corporation in the strictest confidence. Representatives and Associated Persons will be required to assist in any investigation into possible or suspected bribery.

If a Representative or Associated Person reports the matter to a supervisor, that supervisor will immediately communicate the information to the CFO or CEO. The CFO or CEO, in turn, will report all violations or potential violations of this Policy or applicable anti-corruption laws to the Chair of the board of directors, and the board of directors in consultation with the CFO or CEO will determine the most appropriate method to investigate the substance of the claims and resolve the matter.

Representatives or Associated Persons who report instances of bribery in good faith will be supported by the Corporation. The Corporation will ensure that the individual is not subjected to detrimental treatment as a consequence of their report. Any instances of detrimental treatment by a fellow Representative because a Representative or an Associated Person has made a report will be treated as a disciplinary offence. An instruction to cover up wrongdoing is itself a disciplinary offence. If Representatives and Associated persons are told not to raise or pursue any concern, even by a person in authority such as a manager, they should not agree to remain silent.

VIII. REPRESENTATIVE AND ASSOCIATED PERSONS RESPONSIBILITY

Any Representative or Associated Person must read, understand, and comply with the information contained within this Policy, and with any training or other anti-bribery and anti-corruption information they are given.

All Representatives and Associated Persons and those under their control are equally responsible for the prevention, detection, and reporting of bribery and other forms of corruption. They are required to avoid any activities that could lead to, or imply, a breach of this Policy.

A copy of this Policy will be communicated to all Representatives and Associated Persons who will be required to annually sign an acknowledgement that they have received, read, and will abide by the Policy.

Consequences of a Breach of This Policy

The Corporation will fully investigate any instances of alleged or suspected bribery. Representatives suspected of bribery may be suspended from their duties while the investigation is being carried out.

The Corporation will initiate its disciplinary procedures where any Representative is suspected of bribery, and proven allegations may result in a finding of gross misconduct and dismissal. The Corporation may terminate the contracts of any Associated Persons who are found to have breached this Policy.

The Corporation may also report any matter to the relevant authorities and the police. The Corporation will provide all necessary assistance to the relevant authorities in any subsequent prosecution.

IX. REVIEW OF PROCEDURES AND TRAINING

The Corporation will regularly communicate its anti-bribery measures to Representatives and Associated Persons and, if appropriate, will carry out training sessions. All new Representatives and Associated Persons will be provided with a copy of this Policy together with the Code of Business Conduct and Ethics or the Supplier Code of Business Conduct (as applicable) and advised of its importance. Any other stakeholder can refer to the Corporation’s website page for updated information on this Policy.

Training on this Policy forms part of the induction process of all new employees and directors. All existing employees will receive regular training on how to implement and adhere to this Policy and will be asked to formally accept conformance to this Policy on an annual basis.

The Corporation will monitor and review the implementation of this Policy and related procedures on a regular basis, including reviews of internal financial systems, expenses, and other related policies. Representatives and Associated Persons are encouraged to offer their feedback on this Policy if they have any suggestions for how it may be improved. Feedback of this nature should be addressed to the Vice President Corporate and Legal Affairs.

The Corporation reserves the right to amend and update this Policy as required.

Any questions about this Policy should be directed to the Vice President Corporate and Legal Affairs.

X. REVISION HISTORY ON HISTORY

This document has been issued and amended as follows:

Revision	Revision Issue Date	DCO #
<i>Rev. Pre QMS</i>	<i>15-July-2024</i>	
<i>Rev. Pre QMS</i>	<i>26-February-2026</i>	